PAJARO VALLEY WATER MANAGEMENT AGENCY

36 BRENNAN STREET • WATSONVILLE, CA 95076
TEL: (831) 722-9292 • FAX: (831) 722-3139
info@pvwater.org • https://www.pvwater.org

Board of Directors Meeting
February 21, 2024, 6:00 p.m.

City of Watsonville Council Chambers
275 Main Street, 4th Floor, Watsonville

BOARD MEETING AGENDA

Agenda Item

Note: The Board may take action on any item listed on the agenda.

1. **Call to Order**

2. **Roll Call of the PV Water Directors:** Amy Newell (Chair), Stephen Rider, (Vice-Chair), Bob Culbertson (Treasurer), Javier Zamora, Mary Bannister, Tom Broz, Abel Sanchez

3. **Pledge of Allegiance**

4. **Oral Communications**
   This time is set aside for members of the general public to address the Board of Directors on any item not on the agenda, and that is within the subject matter jurisdiction of the Board of Directors. Each speaker is allotted up to 3 minutes. No action or discussion shall be taken on any item presented except that the Board may respond to statements made or questions asked or may ask questions for clarification. All matters of an administrative nature will be referred to staff. All matters pertaining to the Board may be scheduled for discussion at a future meeting or referred to staff for clarification or a report, at the pleasure of the board.

5. **Closed Session – 1 Item:**
   a. **Public Employment/Conference with Labor Negotiators**
      (Cal. Govt. Code §§54957, 54957.6)
      Title: General Manager
      Agency designated representative(s): Chair and Vice-Chair; General Counsel
      Unrepresented employee: General Manager

   Open Session (anticipated to resume at 7:00 p.m.)

   Report on Closed Session

6. **Director Comments**

7. **Counsel Report**

8. **General Manager Report**

9. **Consent Agenda**
   All items appearing on the Consent Agenda are recommended actions which are considered to be routine and will be acted upon as one consensus motion. Any items removed will be considered immediately after the consensus motion. The Board Chair will allow public input prior to the approval of the Consent Agenda.
   A. Approve January 17, 2024, Minutes
   B. Approve Financial Reports

1. Introduction by staff
2. Questions from Board
3. Public comment
4. Board discussion and deliberations
5. Board action

10. Informational Items

A. Receive Basin Management Plan Implementation Update

B. Receive Update on Proposition 1, Round 2, Integrated Regional Water Management Implementation Grant in the amount of $4.8 Million with $1.8 Million Allocated for PV Water's College Lake Integrated Resources Management Project – Treated Water Pipeline

11. Discussion and/or Action Items

A. Consider Adopting Resolution 2024-04, Authorizing the Grant Acceptance and Execution for the California Department of Water Resources' Watershed Resilience Pilot Program

1. Introduction by staff
2. Questions from Board
3. Public comment
4. Board discussion and deliberation
5. Board action

12. Monthly Reports/Presentations

A. Facility Operations Report

B. Board Committee Reports available at www.pvwater.org

C. Public Outreach Update

13. Correspondence

14. Future Meetings

A. Project & Facility Operations Committee, Wednesday, February 28, 2024, 3:00 p.m. PV Water, 36 Brennan St., Watsonville

B. Administrative/Finance Committee, Tuesday, March 12, 2024, 3:00 p.m., PV Water, 36 Brennan St., Watsonville

C. Board of Director's Meeting, Wednesday, March 20, 2024, 7:00 p.m., City of Watsonville Council Chambers, 275 Main St., Watsonville

D. Project & Facility Operations Committee, Wednesday, March 27, 2024, 3:00 p.m., PV Water, 36 Brennan St., Watsonville

Adjournment

NOTES

The City Council Chambers is an accessible facility. If you wish to attend a meeting and you will require assistance in order to attend and /or participate, please call the Agency at (831) 722-9292 in advance of the meeting and every effort made to accommodate your attendance and participation.

This agenda is subject to revision and maybe amended prior to the scheduled meeting. If amended, a Final Agenda to be posted at PV Water, 36 Brennan Street, Watsonville and at the location where meeting will be held, 72 hours prior to the meeting. Copies of the Final Agenda will be available at the Board Meeting. This Agenda shall be made available upon request in alternative formats to persons with a disability, as required by the Americans with Disabilities Act of 1900 (42 U.S.C. Sec. 12132) and the Ralph M. Brown Act (Cal. Govt. Code Sec. 54954.2). Persons requesting a disability-related modification or accommodation should contact PV Water Board Secretary at (831) 722-9292 during regular business hours at least 24 hours prior to the time of the meeting.

Agenda documents are available for review, on the Monday following posting of the agenda, in person at PV Water, 36 Brennan St. Watsonville, or on the website: https://www.pvwater.org/board-and-committees/director-agendas.php

Translation Services/Servicios De Traduccion

Spanish language translation is available on an as needed basis. Please make advance arrangements with the PV Water Board Secretary, 36 Brennan St. Watsonville, CA or by telephone (831) 722-9292.
Se proven servicios de interpretacion segun se necesiten. Sirvase contactar a la secretaria de Directiva de la Agencia para hacer preparativos.

Public Access to Board of Directors Meeting

You can attend the meeting from your computer, tablet or smartphone (may require app).
By Computer:
https://www.gotomeet.me/PVWater/board-of-directors
By Phone:
United States (Toll Free): 1 (877) 309-2073 Access Code: 347-473-301#
Please Note: Meeting materials are posted at: https://www.pvwater.org/director-agendas

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Board of Directors Meeting
January 17, 2024, 6:00 p.m.

City Council Chambers
275 Main Street, 4th Floor, Watsonville

DRAFT BOARD MEETING MINUTES

1. **Call to Order:** Chair Newell was unable to call the meeting to order at the published start time due to lack of quorum, the Board members present went straight to Agenda Item 5, The Regular Board Meeting of Pajaro Valley Water Management Agency was called to order at 7:10 p.m., with a quorum, by Chair Newell, at the City Council Chambers, 275 Main St., 4th Floor, Watsonville, CA

2. **Roll call of the PV WATER Directors:**

Board Members Present:	Newell, Rider, Broz, Sanchez (6:50)
Board Members Absent:	Culbertson, Bannister, Zamora
Staff Members Present:	Brian Lockwood, General Manager (GM) Laura R. Taay, Board Secretary Nancy Trevino, Finance & Admin Services Manager (FASM)
Others Present:	Tony Condotti, Agency Counsel (AC) Samuel Humy, Associate Agency Counsel (closed session only) Jonathan Abadesco, Consultant, CJ Brown & Co.CPAs Scott Ferguson, Consultant, Jones Hall, Law Corporation Lidia Gutierrez, Consultant, Gutierrez Consultants, Inc. Craig Hill, Consultant, NHA Advisors Christian Sprunger, Consultant, NHA Advisors Tom Rider, Public

3. **Pledge of Allegiance**

4. **Oral Communications:** None

5. **Conference with Legal Counsel – Existing Litigation**
   (Cal. Gov't Code §54956.9(d)(1)
   Pajaro Valley Water Management Agency v, Melgoza – SCSC Case No. 22CV01269

   Open Session at 7:10 p.m.

   Report on Closed Session – AC Condotti reported no closed session due to no quorum.

6. **Director Comments:** None

7. **Counsel Report:** No report

8. General Manager Report: No report

9. Consent Agenda

A. Approve December 20, 2023, Minutes
B. Approve Financial Reports
C. Adopt Resolution 2024-01, Amending Administration and Finance Committee Bylaws

Action: Director Rider moved to approve the Consent Agenda; seconded by Director Broz.

Motion carried by the following voice vote:

AYES:	Newell, Rider, Broz, Sanchez
NOES:	None
ABSENT:	Culbertson**,** Bannister, Zamora
ABSTAIN:	None

10. Informational Items

A. Received Basin Management Plan Implementation Update from GM Lockwood

11. Discussion and/or Action Items

A. Consider Accepting and Filing the Annual Financial Report for Fiscal Year ended June 30, 2023
GM Lockwood introduced Jonathan Abadesco, CPA, with CJ Brown & Co., CPAs, who summarized the Annual Financial Report Fiscal Year Ended June 30, 2023.

The presentation posted at https://www.pvwater.org/director-agendas.

Action: Director Broz moved for the Board to accept and file the Financial Report for the Fiscal Year ended June 30, 2023; seconded by Director Sanchez.

Motion carried by the following voice vote:

AYES:	Newell, Rider, Broz, Sanchez
NOES:	None
ABSENT:	Culbertson**,** Bannister, Zamora
ABSTAIN:	None

B. Consider adopting (a) Resolution No. 2024-02 Authorizing the Execution and Delivery of Water Revenue Certificates of Participation to Finance a Portion of the College Lake Integrated Resources Management Project, and Approving Related Documents and Actions and (b) Resolution No. 2024-03 Authorizing the Execution and Delivery of Water Revenue Certificates of Participation to Finance a Portion of the Watsonville Slough System Managed Aquifer Recharge & Recovery Project, and Approving Related Documents and Actions
GM Lockwood introduced this item and then welcomed Christian Sprunger, Municipal Financial Advisor, NHA Advisors, who delivered a presentation that explained the background, financing needs, and anticipated structure of the WIFIA loan process.

The presentation posted at https://www.pvwater.org/director-agendas.

Action: Director Sanchez moved for the Board to adopt Resolution 2024-02, Authorizing the Execution and Delivery of Water Revenue Certificate of Participation 2024A to Finance a Portion

of the College Lake Integrated Resources Management Project, and Approving Related Documents and Actions and Resolution 2024-03, Authorizing the Execution and Delivery of Water Revenue Certificate of Participation 2024B to Finance a Portion of the Watsonville Slough System Managed Aquifer Recharge & Recovery Project, and Approving Related Documents and Actions; seconded by Director Broz.

Motion carried by the following voice vote:

AYES:	Newell, Rider, Broz, Sanchez
NOES:	None
ABSENT:	Culbertson, Bannister, Zamora
ABSTAIN:	None

C. Consider Agreement with Gutierrez Consultants, Inc. for California Department of Conservation Multibenefit Land Repurposing Program Grant Administration in an amount not to exceed $705,795 through March 30, 2027

GM Lockwood summarized the California Department of Conservation (DoC) $8.89 million Multibenefit Land Repurposing Program (MLRP) grant that was awarded to Pajaro Valley Water Management Agency (PV Water) and partners in November 2023. The partners include Resource Conservation District of Santa Cruz County (RCD), the University of California at Santa Cruz, the Land Trust of Santa Cruz County, Watsonville Wetlands Watch, the Pajaro Regional Flood Management Agency, and the Nature Conservancy. The City of Watsonville and the Amah Mutsun Land Trust are collaborators with PV Water and partners on this project.
As the grantee, PV Water will serve as Grant Administrator for the MLRP Grant. Gutierrez Consultants, Inc. will provide administrative services, which are 100% reimbursable from the grant, up to approx. $705,795.

Lidia Gutierrez, Consultant, was present to answer questions from the Board and public.

The presentation posted at https://www.pvwater.org/director-agendas.

Action: Director Broz moved for the Board to approve the agreement with Gutierrez Consultants, Inc., in substantially the same form as the version attached, for California Department of Conservation Multibenefit Land Repurposing Program Grant Administration in an amount not to exceed $705,795 through March 30, 2027; seconded by Director Rider.

Motion carried by the following voice vote:

AYES:	Newell, Rider, Broz, Sanchez
NOES:	None
ABSENT:	Culbertson, Bannister, Zamora
ABSTAIN:	None

12. Monthly Reports/Presentations

A. Facility Operations Report
   1. Received 2023 Supplemental Water Production Monthly Summary Report
B. Board Committee Reports available at https://www.pvwater.org/director-agendas
C. Public Outreach Update

13. Correspondence

14. Future Meetings

A. Project & Facility Operations Committee, Wednesday, January 31, 2024, 3:00 p.m., PV Water Conference Room, 36 Brennan St., Watsonville
B. Administrative/Finance Committee, Tuesday, February 13, 2024, 3:00 p.m., PV Water Conference Room, 36 Brennan St., Watsonville
C. Board of Directors, Wednesday, February 21, 2024,7:00 p.m., PV Water Conference Room, 36 Brennan St., Watsonville
D. Project & Facility Operations Committee, Wednesday, February 28, 2024, 3:00 p.m., PV Water Conference Room, 36 Brennan St., Watsonville

Adjourned at 8:14 p.m. to Pajaro Valley Water Management Agency Financing Corporation Meeting

_____ _____

Laura R. Taay, Board Secretary **Date Approved**

PAJARO VALLEY WATER MANAGEMENT AGENCY
BUDGET vs. ACTUAL
BY EXPENSE TYPE
2023-24FY as of December 31, 2023

#	Description	2023 One Year Prior Actual	2024 Budget	2024 Year to Date End Balance	Remaining YTD Budget (Over) Under Variance	% Var
	Revenue					
1	Management Fees	$ 370,098	$ 370,000	$ 369,968	$ 32	0.01%
2	Augmentation Charges	$ 7,695,672	$ 11,715,000	$ 7,831,756	$ 3,883,244	33.15%
3	Delivered Water Sales	$ 1,362,667	$ 1,800,000	$ 1,401,596	$ 398,404	22.13%
4	Grants & Loans	$ 50,000	$ 5,000,000	$ 4,836,579	$ 163,421	3.27%
5	Rental Income	$ 53,456	$ 115,000	$ 82,510	$ 32,490	28.25%
6	Interest Income	$ 78,759	$ 375,000	$ 302,109	$ 72,891	19.44%
7	WIFIA Proceeds	$ -	$ 45,000,000	$ -	$ 45,000,000	100.00%
8	Other Revenue	$ 33,801	$ 25,000	$ 6,460	$ 18,540	74.16%
	Revenue Total:	**$ 9,644,454**	**$ 64,400,000**	**$ 14,830,977**	**$ 49,569,023**	**76.97%**
	Expenditures					
9	Salaries, Wages and Benefits	$ 1,140,500	$ 2,811,420	$ 1,215,309	$ 1,596,111	56.77%
10	Conferences and Training	$ 6,143	$ 22,000	$ 2,835	$ 19,165	87.11%
11	Travel/Meals	$ 3,113	$ 37,500	$ 4,716	$ 32,784	87.43%
12	Bank Charges	$ 18,930	$ 40,050	$ 12,557	$ 27,493	68.65%
13	Insurance	$ 27,111	$ 67,000	$ 34,129	$ 32,871	49.06%
14	Taxes & Fees	$ 49,780	$ 118,250	$ 117,085	$ 1,165	0.99%
15	Legal Notices & Ads	$ 787	$ 135,500	$ 16,916	$ 118,584	87.52%
16	Dues & Subscription	$ 19,335	$ 42,500	$ 18,096	$ 24,404	57.42%
17	Office Expense	$ 2,395	$ 19,500	$ 1,917	$ 17,583	90.17%
18	Postage	$ 3,405	$ 11,000	$ 3,733	$ 7,267	66.07%
19	Printing	$ 8,063	$ 51,250	$ 6,530	$ 44,720	87.26%
20	Utilities	$ 109,263	$ 354,200	$ 104,835	$ 249,365	70.40%
21	Telephone	$ 6,704	$ 50,000	$ 7,929	$ 42,071	84.14%
22	Office Equipment Leases	$ 3,749	$ 15,500	$ 6,167	$ 9,333	60.22%
23	Project Well Lease	$ 25,000	$ 200,000	$ 25,000	$ 175,000	87.50%
24	Field Supplies-Equipment	$ 25,180	$ 107,000	$ 9,325	$ 97,675	91.28%
25	Elections	$ 72	$ 10,000	$ -	$ 10,000	0.00%
26	Uniforms	$ 2,013	$ 5,000	$ 2,805	$ 2,195	43.90%
27	Legal Services	$ 172,825	$ 562,000	$ 78,275	$ 483,725	86.07%
28	Professional Services	$ 1,056,801	$ 14,938,000	$ 4,038,559	$ 10,899,441	72.96%
29	LAFCO District Fees	$ 8,020	$ 18,000	$ 8,979	$ 9,021	50.11%
30	Bad Debt	$ (2,136)	$ 8,000	$ (390)	$ 8,390	104.87%
31	Collection Fee	$ 3,891	$ 7,000	$ 3,391	$ 3,609	51.55%
32	Special Projects Outreach	$ 3,529	$ 30,000	$ 2,244	$ 27,756	92.52%
33	Facilities Maintenance	$ 22,068	$ 118,000	$ 15,544	$ 102,456	86.83%
34	Land	$ 1,592,237	$ 4,075,000	$ (36,429)	$ 4,111,429	100.89%
35	Information Technology	$ 53,851	$ 189,000	$ 65,497	$ 123,503	65.35%
36	Licensed Contractors	$ 14,375	$ 62,615,000	$ 24,011,145	$ 38,603,855	61.65%
37	Vehicle Purchase	$ -	$ 80,000	$ -	$ 80,000	0.00%
38	Vehicle Maintenance	$ 8,324	$ 37,000	$ 11,657	$ 25,344	68.50%
39	Meters	$ 99,487	$ 80,000	$ 18,608	$ 61,392	76.74%
40	COW Reimb RWF O&M	$ 1,255,125	$ 2,750,000	$ 572,674	$ 2,177,326	79.18%
41	Rebates	$ 15,990	$ 225,000	$ -	$ 225,000	100.00%
42	City Connection Water Charges	$ 177,151	$ 600,000	$ -	$ 600,000	100.00%
43	Water Sampling	$ 28,375	$ 97,000	$ 14,400	$ 82,600	85.15%
44	DWR Loan Pmt-CDSProp13	$ 125,708	$ 251,416	$ 125,708	$ 125,708	50.00%
45	SWRCB Loan	$ -	$ 76,206	$ -	$ 76,206	100.00%
46	Bond Administrative Fee	$ 1,250	$ 10,000	$ 2,750	$ 7,250	72.50%
47	2015 Water Bond	$ 177,425	$ 1,547,850	$ 128,925	$ 1,418,925	91.67%
48	2016 Water Bond	$ 164,106	$ 804,463	$ 152,231	$ 652,232	81.08%
49	2023 COP	$ -	$ 1,300,000	$ 378,381	$ 921,619	70.89%
	Expenditures Total:	**$ 6,429,945**	**$ 94,516,605**	**$ 31,182,032**	**$ 63,334,573**	**67.01%**
	REVENUES LESS EXPENDITURES	**$ 3,214,509**	**$ (30,116,605)**	**$ (16,351,055)**	**$ (13,765,550)**	

PAJARO VALLEY WATER MANAGEMENT AGENCY
BUDGET vs. ACTUAL
BY DEPARTMENT
2023-24FY as of December 31, 2023

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6	Interest Income	$ 78,759	$ 375,000	$ 302,109	$ 72,891	19.44%
7	WIFIA Proceeds	$ -	$ 45,000,000	$ -	$ 45,000,000	100.00%
8	Other Revenue	$ 33,801	$ 25,000	$ 6,460	$ 18,540	74.16%
	Revenue Total:	**$ 9,644,454**	**$ 64,400,000**	**$ 14,830,977**	**$ 49,569,023**	**76.97%**
	Expenditures					
9	Office Administration	$ 499,544	$ 1,358,675	$ 587,194	$ 771,481	56.78%
10	Board Support	$ 15,950	$ 62,676	$ 13,753	$ 48,923	78.06%
11	Education & Outreach	$ 75,990	$ 247,801	$ 63,829	$ 183,972	74.24%
12	Grant Administration	$ 37,996	$ 138,508	$ 43,687	$ 94,821	68.46%
13	Conservation	$ 168,700	$ 543,029	$ 142,093	$ 400,936	73.83%
14	BMP Network Improvements	$ 10,439	$ 2,213,497	$ 9,798	$ 2,203,699	0.00%
15	HS Recharge Facilities Optimization	$ 61,365	$ 3,701,313	$ 565,152	$ 3,136,161	84.73%
16	College Lake Project	$ 2,516,973	$ 73,657,458	$ 27,057,201	$ 46,600,257	63.27%
17	Loans & Bonds	$ 467,239	$ 3,979,935	$ 785,245	$ 3,194,690	80.27%
18	Harkins Slough Facility	$ 81,082	$ 322,935	$ 76,747	$ 246,188	76.23%
19	Coastal Distribution System	$ 412,289	$ 1,349,405	$ 216,366	$ 1,133,039	83.97%
20	Supplemental Water (In-Basin)	$ 142,354	$ 939,431	$ 178,153	$ 761,278	81.04%
21	Recycled Water Facility	$ 1,368,297	$ 2,902,999	$ 618,249	$ 2,284,750	78.70%
22	Metering Program	$ 289,006	$ 603,029	$ 198,466	$ 404,563	67.09%
23	Wats Slough & North Dunes Recharge	$ 51,899	$ 1,518,734	$ 296,507	$ 1,222,227	80.48%
24	Basin Modeling	$ 83,203	$ 192,765	$ 36,839	$ 155,926	80.89%
25	Basin Monitoring	$ 85,473	$ 293,804	$ 70,205	$ 223,599	76.10%
26	In-Basin Management Plan	$ 28,795	$ 177,234	$ 53,095	$ 124,139	70.04%
27	Regional Water Management Plan	$ 3,856	$ 36,778	$ 4,177	$ 32,601	88.64%
28	Out-of-Basin Funding	$ 20,740	$ 200,493	$ 156,224	$ 44,269	22.08%
29	In-Basin Funding	$ 8,757	$ 76,106	$ 9,053	$ 67,053	88.10%
	Expenditures Total:	$ 6,429,945	$ 94,516,605	$ 31,182,033	**$ 63,334,572**	**67.01%**
	REVENUES LESS EXPENDITURES	**$ 3,214,509**	**$ (30,116,605)**	**$ (16,351,056)**	**$ (13,765,549)**	

FY2023-24 CONTRACT COMMITMENTS: Quarterly Activity for time period: October 1, 2023 - December 31, 2023

VENDOR	PROJECT	TERM START DATE	TERM END DATE	CONTRACT AMOUNT NOT TO EXCEED	AMOUNT PAID THROUGH 12/31/23	AMOUNT AVAILABLE
Balance Hydrologics	Watsonville Slough Monitoring: WY2022 & WY2023	11/17/21	06/30/24	132,972	85,213	47,759
Balance Hydrologics	Watsonville Slough Monitoring: WY2024 & WY2025	12/21/23	06/30/26	142,942		142,942
Carollo Engineers	BMP Implementation Program Management Services	01/18/17	06/30/25	6,463,226	6,261,017	202,209
Carollo Engineers	College Lake IRMP: Design & Eng. Services During Construction	08/20/20	06/30/25	5,061,039	3,692,991	1,368,048
Carollo Engineers	WSS-MAR Preliminary and Final Engineering Design Services	09/21/22	06/30/24	2,454,000	488,173	1,965,827
cbec, inc. eco engineering	College Lake Weir Fish Passage Design Consultation & Modeling Services	10/22/20	06/30/25	81,715	46,342	35,374
cbec, inc. eco engineering	College Lake Hydrologic Monitoring Services: WY2022 & 2023 & 2024	11/17/21	06/30/25	253,562	123,691	129,871
cbec, inc. eco engineering	College Lake Operation Plan Development - Weir Raising	05/18/23	06/30/24	156,832	85,299	71,533
eki environment & water, Inc.	Harkins Slough Recharge Facility Improvements - Hydrogeologic Support Services	08/01/19	06/30/24	257,800	245,487	12,313
ESA Water	College Lake IRMP: Environmental Support Services	10/22/20	12/31/24	909,758	473,693	436,065
Jacobs Engineering Group, Inc.	College Lake IRMP: Design & Eng. Services During Construction	08/20/20	06/30/25	2,527,999	2,112,123	415,876
James P. Allen & Associates (Arborists)	College Lake Project Support	07/17/23	06/30/24	19,085	19,085	0
Kittleson Environmental Consulting	Biological Cosnulting Services/College Lake Avian Surveys 2023	01/01/23	12/31/23	24,780	16,275	8,505
Maggiora Brothers	Harkins Slough Facility 2022 Recovery Wells	11/16/23	06/30/24	378,980	332,320	46,660
Maggiora Brothers	Blend Well 1 - Inspections, Removal & Replacement of Equipment	02/01/23	06/30/24	47,952	42,794	5,158
Mid Coast Engineers	Land Surveying Services for College Lake IRMP	07/01/22	12/31/23	20,000	13,280	6,720
Mike Podlech, Aquatic Ecologist	College Lake Fisheries Support WY22-23	07/01/22	06/30/23	15,500	11,775	3,725
Mike Podlech, Aquatic Ecologist	2023 Salmonid Surveys & Adaptive Management Plan Support	07/01/23	06/30/24	15,700	0	15,700
Miller Maxfield Inc.	Public Outreach and Community Engagement Services College Lake Integrated Resources Management Project and Groundwater Sustainability	05/01/22	06/30/25	200,000	92,506	107,494
Mountain Cascade, Inc.	Water Treatment Plant & Intake Facilities Project	01/18/23	TBD	45,439,854	14,056,013	31,383,841
CA Bank of Commerce	Retention MCI College Lake WTP & Intake Facilities Project	01/18/23	TBD		739,792	
Mountain Cascade, Inc.	College Lake Treated Water Pipeline Project	01/20/23	TBD	23,707,310	13,696,585	10,010,725
CA Bank of Commerce	Retention MCI College Lake Treated Water Pipeline Project	01/20/23	TBD		720,873	
Rain for Rent	30HP Replacement US Motor - Harkins Slough Project	10/01/23	06/30/24	17,270	0	17,270
SWCA	CLIRMP - Environmental Monitoring & Permit Compliance	01/30/23	09/30/24	1,792,980	651,148	1,141,832
Tanner Pacific, Inc.	CLIRMP - Construction Management & Inspection	02/01/23	06/30/25	7,956,452	2,691,214	5,265,238
Telstar Instruments	Blend Well 1 & 2 VFD Replacement	04/07/22	04/30/24	240,461	42,520	197,941

VENDOR	SERVICE	TERM START DATE	TERM END DATE	CONTRACT AMOUNT NOT TO EXCEED	AMOUNT PAID THROUGH 12/31/23	AMOUNT AVAILABLE
Ed Bogner Mechanical, Inc.	Preventative Maintenance Services: Heating & Air Conditioning	12/01/20	12/31/23	5,000	2,345	2,655
C.J. Brown, CPAs	Financial Auditing Services	03/16/22	06/30/24	24,649	19,412	5,237
Flores, Beatriz	Translation Services	07/01/16	06/30/24	20,000	8,004	11,996
Gutierrez Consultants	Grant and Loan Support Services	12/01/22	12/31/24	250,000	66,197	183,803
Karas Technical Services	Graphic Design Services	07/15/20	06/30/25	25,000	8,451	16,549
Montgomery & Associates	BMP - Hydrologic & Facilitation Services	07/23/20	12/31/24	877,406	683,452	193,954
National Demographics Corporation	Demographer Services	01/13/23		17,500	0	17,500
NHA Advisors	Continuing Disclosure and CDIAC Reporting Compliance Services	07/01/23	06/30/28	25,000	0	25,000
NHA Advisors	Funding Capital Projects	10/18/22	06/30/25	150,000	74,956	75,044
Jones Hall, A Professional Law Corporation	Special Counsel Services in connection with WIFIA Loans	12/21/23	TBD	180,000	0	180,000
Belinda Platts	General Consultations on Water Quality and Agricultural Production	12/10/21	06/30/24	24,500	16,125	8,375
Resource Conservation District of Santa Cruz County (RCD)	BMP Agricultural Water Conservation Program Technical Assistance	01/07/21	06/30/24	946,671	793,453	153,218
Strategy Driver, Inc.	Strategic Planning Services	11/16/22	12/31/23	60,000	54,526	5,474
Tree Top Web Design	Web Design Services	11/07/17	06/30/25	25,000	18,575	6,425
U.S. Geological Survey (USGS)	Water Resource Investigations	04/01/23	09/30/25	286,179	0	286,179
ZAG Technical Services	IT Managed Services & Support (MSA) FY2023-25	07/01/23	06/30/25	150,000	22,213	127,787
TOTAL				$101,385,074	$48,507,921	$54,337,818

Prior Qtr less completed contracts:	26,120,516
Net Change in Amt paid this Qtr:	22,387,405
BR Report:	22,387,405
Difference:	0

Contract Complete
Term Date Expired

PAJARO VALLEY WATER MANAGEMENT AGENCY

Account Activity Report per Bank Statement

	Date	Deposits	Withdrawals	Balance
CLEARING ACCOUNT - Mechanics				
Beginning Balance	12/1/2023			$37,231
Cash Receipts				
Disbursements			9,290,977	
Transfers		9,754,560		
Bank Fees				
Ending Balance	12/31/2023			$500,812
GENERAL FUND10-MMA Mechanics				
Beginning Balance	12/1/2023			$1,466,923
Cash Receipts		60,842		
Transfers			28,822	
Interest Earned		4,648		
Bank Fees				
Ending Balance	12/31/2023			$1,503,590
GENERAL FUND 10 - LAIF				
Beginning Balance	12/1/2023			$2,267,075
Transfers				
Interest Earned		0		
Ending Balance	12/31/2023			$2,267,075
GENERAL FUND 20 - LAIF				
Beginning Balance	12/1/2023			$8,324,757
Transfers				
Interest Earned		0		
Ending Balance	12/31/2023			$8,324,757
SPECIAL REVENUE FUND 20-ACH Clearing Acct Mechanics				
Beginning Balance	12/1/2023			$0
Cash Receipts				
Sweep/Transfers				
Disbursments/ACH-Wire				
Bank Fees				
Ending Balance	12/31/2023			$0
SPECIAL REVENUE FUND 20-Operating Mechanics				
Beginning Balance	12/1/2023			$729,618
Cash Receipts		293,637		
Transfers			1,015,976	
Disbursments/ACH-Wire				
Bank Fees			2,275	
Interest Earned				
Ending Balance	12/31/2023			$5,005
SPECIAL REVENUE Fund 20 Cash Mgmt-FUND20MMN Mechanics				
Beginning Balance	12/1/2023			$15,337,201
Transfers		680,000	470,000	
Disbursments/ACH-Wire				
Bank Fees				
Interest Earned		50,439		
Ending Balance	12/31/2023			$15,597,641
BNY Mellon Construction Fd - 2023 Certificates of Participation				
Beginning Balance	12/1/2023			$16,071,292
Transfers			8,919,762	
Interest Earned		93,370.40		
Ending Balance	12/31/2023			$7,244,900
Certificate of Deposit - DWR Loan Reserve Mechanics Fund 40				
Beginning Balance	12/1/2023			$262,189
Interest Earned		1,045.00		
Ending Balance	12/31/2023			$263,234
Certificate of Deposit - SRF-D1501023				
Beginning Balance	12/1/2023			$76,275
Transfers				
Interest Earned				
Ending Balance	12/31/2023			$76,275

Prior Month Ending Cash Balance:	Total Deposits:	Total Withdrawals:	Month End Cash Balance:
44,572,561	10,938,541	19,727,812	35,783,291
Cash Transfers	10,434,560	10,434,560	-
Actual Cash Receipts/Disbursements	503,981	9,293,252	

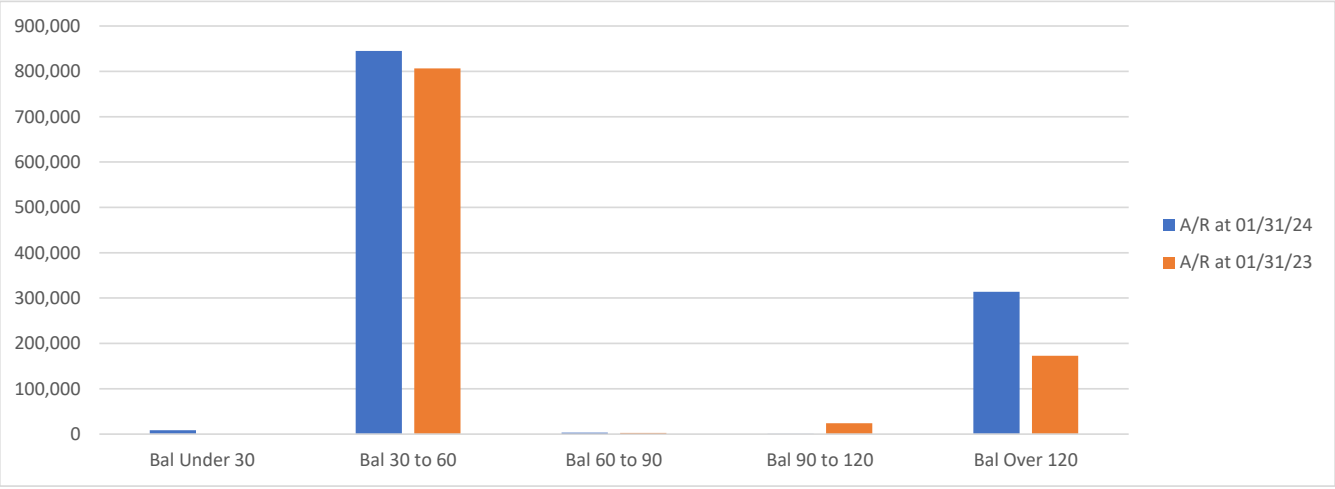
PAJARO VALLEY WATER MANAGEMENT AGENCY
INVESTMENT REPORT
ALL FUNDS
December 31, 2023

Description	Current Yield	Investment	% of Total Portfolio	Weighted Yield
Mechanics Clearing Account	0.00%	**$500,813**	1.40%	0.00%
General Fund 10				
Mechanics General Fund 10 Money Market Account	4.07%	1,503,590	4.20%	0.17%
Local Agency Investment Fund	4.00%	2,267,075	6.34%	0.25%
		$3,770,665		
Special Revenue Fund 20				
Mechanics Special Revenue Fund 20-ACH Clearing Account	0.00%	0	0.00%	0.00%
Mechanics Special Revenue Fund 20 Operating Account	0.00%	5,005	0.01%	0.00%
Mechanics Special Revenue Fund 20 Money Market Account	4.07%	15,597,641	43.59%	1.77%
Local Agency Investment Fund	4.00%	8,324,757	23.26%	0.93%
		$23,927,402		
Capital Projects Fund 30				
BNY Mellon Construction Fund - 2023 COPs	5.05%	**$7,244,900**	20.25%	1.02%
Long Term Debt Fund 40				
Mechanics Certificate of Deposit DWR Loan Reserve	4.75%	$263,234	0.74%	0.04%
Mechanics Certificate of Deposit SRF-D1501023	3.00%	$76,275	0.21%	0.01%
		339,509		
	Total:	**$35,783,291**	**100.0%**	

Total Funds Reserved	339,509
Total Funds Invested	34,937,963
Total Funds Non-Interest Bearing	505,818
Total Funds	**$35,783,291**
Total Available Funds	35,443,781
Cash Reserve Policy Requirements (PV Water)	6,820,000
Surplus (Deficit) of Funds	**$28,623,781**

PV Water
Accounts Receivable Aging 3 Month Trend
As of 01/31/2024

	Balance Forward	Bal Under 30	Bal 30 to 60	Bal 60 to 90	Bal 90 to 120	Bal Over 120
Accounts Receivable before credits	1,171,243	8,383	845,214	3,393	112	314,141
Credits	(6,035)					
Total Accounts Receivable at 01/31/24	1,165,208					
Accounts Receivable before credits	1,005,880	0	806,442	2,801	23,968	172,669
Credits	(21,078)					
Total Accounts Receivable at 01/31/23	984,802					
Accounts Receivable before credits	3,596,132.13	3,230,118.69	14,063.89	125.14	159,512.63	192,311.78
Credits	(1,363)					
Total Accounts Receivable at 12/31/23	3,594,768.88					
Accounts Receivable before credits	672,521	36,971	178	433,709	16,277	185,387
Credits	(55,647)					
Total Accounts Receivable at 11/30/23	616,875					



Accounts

Checks by Date - Detail by Check Date

User: priscilla
Printed: 2/1/2024 12:08 PM

Check	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check
ACH	C571	CALIFORNIA BANK OF COMMERCE	01/04/2024	
	91602-07R	Escrow#1159045 Ret.CL Proj #30-39-501-for 11/1-11/30/23		124,845.95
			Total for this ACH Check for Vendor C571:	124,845.95
ACH	C572	CALIFORNIA BANK OF COMMERCE	01/04/2024	
	91601-07R	Esccrow#1159037 Ret.CL Proj #30-39-502-for 11/1-11/30/23		120,482.59
			Total for this ACH Check for Vendor C572:	120,482.59
ACH	M2213	MOUNTAIN CASCADE, INC.	01/04/2024	
	91602-07	CL Project#30-39-501 for 11/1-11/30/23		2,372,073.05
			Total for this ACH Check for Vendor M2213:	2,372,073.05
ACH	M2214	MOUNTAIN CASCADE, INC.	01/04/2024	
	91601-07	CL Project#30-39-502 for 11/1-11/30/23		2,289,169.23
			Total for this ACH Check for Vendor M2214:	2,289,169.23
44982	M1086	MILLER MAXFIELD, INC.	01/04/2024	
	1123PV	CL ads, graphic design & general social media dev. Support for 12/23		2,985.75
			Total for Check Number 44982:	2,985.75
44983	S2620	STATE WATER RESOURCES CONTROL BOARD-SWRCB	01/04/2024	
	WD-0259284	CL Annual Permit Facitlity ID#34422WQ07 for 7/1/23-6/30/24		1,743.00
			Total for Check Number 44983:	1,743.00
44984	S610	SANTA CRUZ CO. DEPT.COMM. & INFRASTRUCTURE	01/04/2024	
	DWAC-P63256	College Lake Labor for 11/23		2,488.19
			Total for Check Number 44984:	2,488.19
			Total for 1/4/2024:	4,913,787.76
44985	A190	ACE HARDWARE OF WATSONVILLE INC	01/05/2024	
	227175/227347	Field supplies for 12/23		57.61
			Total for Check Number 44985:	57.61
44987	C1580	SPECTRUM BUSINESS COMMUNICATIONS	01/05/2024	
	0124982122023	76 Holohan/Internet/communication for 12/20 to 1/19/24		127.97
	0154296122323	36 Brennan L.Line & Internet services for 12/23 to 1/22/24		653.36
			Total for Check Number 44987:	781.33

Check	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check
44988	M1175	MONTEREY BAY ANALYTICAL SERVICE INC	01/05/2024	
	231130-04	Water Samples Groundwater for 11/30/23		882.00
	231201-27	Water Samples Groundwater for 12/1/23		1,617.00
			Total for Check Number 44988:	2,499.00
44989	M1865	MONTGOMERY & ASSOCIATES INC	01/05/2024	
	9090-23-8	PS/PV/Monitoring Network Expansion PM. for 10/1 to 10/31/23		6,665.00
			Total for Check Number 44989:	6,665.00
44990	O217	OFFICE AND HOME CLEANING SERVICES	01/05/2024	
	2400	36 Brennan Mo. Office housekeeping for 12/23		600.00
	2401	76 Holohan Mo. Housekeeping for 12/23		600.00
			Total for Check Number 44990:	1,200.00
44991	P1160	MIKE PODLECH	01/05/2024	
	2513	CL Fisheries Support Prof. Services for 11/1 to 12/31/23		525.00
			Total for Check Number 44991:	525.00
44992	P180	PENINSULA MESSENGER LLC	01/05/2024	
	1371493	Monthly RaboBank Courier for 12/23		117.00
			Total for Check Number 44992:	117.00
44993	P510	PAJARO VALLEY PRINTING	01/05/2024	
	46880	500 Business cards for Isabel for 12/23		137.19
			Total for Check Number 44993:	137.19
44994	P800	PG & E	01/05/2024	
	0688235687-3	Service at 76 Holohan Rd for 11/21 to 12/19/23		957.97
	2926809320-9	Service at 36 B Brennan St for 11/21 to 12/20/23		193.63
	3015753830-4	Electric Pump/2 homes/76 & 116 Holohan for 11/21 to 12/20/23		262.29
	3771390038-1	Service at Jensen Rd #3 for 11/17 to 12/18/23		32.01
	4291054495-8	Service at 475 San Andreas Rd for 11/20 to 12/19/23		53.28
	5290624576-7	Service at 2240 Beach Rd for 11/17 to 12/18/23		21.72
	5916054391-0	Service at 187C San Andreas Rd for 11/20 to 12/19/23		1,643.15
			Total for Check Number 44994:	3,164.05
44995	S1405	SC FUELS INC	01/05/2024	
	0817337	Agency Vehicles Fuel for 12/1 to 12/31/23		141.78
			Total for Check Number 44995:	141.78
44996	S1681	SHAMROCK OFFICE SOLUTIONS	01/05/2024	
	3964709	76 Holohan/Cont. printer usage/BW & Clr for 12/2-1/1/24		35.46
	3966048	36 Brennan/Cont. printer usage/BW & Clr for 12/2-1/1/24		406.83
			Total for Check Number 44996:	442.29
44997	U185	U.S. BANK EQUIPMENT FINANCE	01/05/2024	
	517972378	RICOH Office Copier (downstairs) for 12/23		208.57
	518299912	RICOH Office Copier (upstairs) for 12/23		79.55
			Total for Check Number 44997:	288.12

Check	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check
44998	W400	CITY OF WATSONVILLE UTILITIES	01/05/2024	
	CUST#602389	Office Monthly Utilities for 11/14 to 12/13/23		168.64
			Total for Check Number 44998:	168.64
44999	W80	WAGEWORKS INC.	01/05/2024	
	INV6002943	Mo. Admin. & Compliance Fee fo		110.00
			Total for Check Number 44999:	110.00
45000	Z100	ZAG TECHNICAL SERVICES, INC.	01/05/2024	
	141500	IT-Billable/Regular Support Agreement for 12/23		97.50
			Total for Check Number 45000:	97.50
			Total for 1/5/2024:	16,394.51
ACH	A1250	AFLAC- FLEX ONE	01/12/2024	
	EE Deferrals	EE PR Deferrals		687.27
			Total for this ACH Check for Vendor A1250:	687.27
ACH	A300	ACWA/JPIA	01/12/2024	
	Inv 0701686	EE PR Deferrals		33,718.47
			Total for this ACH Check for Vendor A300:	33,718.47
ACH	N125	NATIONWIDE RETIREMENT SOLUTION	01/12/2024	
	EE Deferrals	EE PR Deferrals		3,450.00
			Total for this ACH Check for Vendor N125:	3,450.00
ACH	P1300	PERS-Fiscal Services Division Cashier Unit	01/12/2024	
	EE Deferrals	ER/EE Retirement Contributions		11,545.30
	Retirement Contri	EE PR Deferrals		1,768.41
			Total for this ACH Check for Vendor P1300:	13,313.71
ACH	P555	PVWMA-Cafeteria Account	01/12/2024	
	EE Deferrals	EE PR Deferrals		958.05
			Total for this ACH Check for Vendor P555:	958.05
45001	A785	ACWA ASSOC. OF CA WATER AGENCIES JPIA	01/12/2024	
	2024-ANNUALD	Annual Supplement Agency Dues for 2024		20,595.00
			Total for Check Number 45001:	20,595.00
45002	B102	BARTKIEWICZ, KRONICK & SHANAHAN INC	01/12/2024	
	8812-0001& 0005	Legal Prof. Service Watsonville Slough WSR for 12/23		412.50
			Total for Check Number 45002:	412.50
45003	C522	CALIFORNIA DEPT OF TAX & FEE ADMIN	01/12/2024	
	094-013162	Annual Permit Fee ACC#094-013162 for 7/1/23--06/30/24		572.91
	246-868672	Annual Permit Fee ACC#246-868672 for 7/1/23--06/30/24		693.72
			Total for Check Number 45003:	1,266.63

Check	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check
45004	G195	GREENWASTE RECOVERY LLC	01/12/2024	
	ID#219557	76 Holohan Green Waste for 12/23	219557	130.67
			Total for Check Number 45004:	130.67
45005	J151	JOHNSON PUMP CO.	01/12/2024	
	12291	4" Seametric AG3000 & Supplies for 11/23		3,089.46
	12292	Labor to Install AG3000/4" for 11/23		1,100.00
	12314	Labor & Materials to install 6" Seametric AG3000 for 12/23		3,840.84
			Total for Check Number 45005:	8,030.30
45006	K89	KARAS TECHNICAL SERVICES	01/12/2024	
	15226	2023 Winter Newsletter for 12/23		290.00
			Total for Check Number 45006:	290.00
45007	M1010	MAGNOLIA GARDENING INC	01/12/2024	
	30285	36 Brennan Building Mo. Landscape Maint. For 1/24		100.00
	30447	76 Holohan Building Mo. Landscape Maint. For 1/24		90.00
			Total for Check Number 45007:	190.00
45008	P415	PV CHAMBER OF COMMERCE	01/12/2024	
	EXPO & JOB FA	Participate in 2024 Buss. Expo & Job Fair for 4/25/24		350.00
			Total for Check Number 45008:	350.00
45009	W400	CITY OF WATSONVILLE UTILITIES	01/12/2024	
	28155	Operational Water Treatment Plant for 7/1 thru 9/30/23		592,490.74
			Total for Check Number 45009:	592,490.74
45010	Z100	ZAG TECHNICAL SERVICES, INC.	01/12/2024	
	141822	IT-Billable/Regular Support Agreement for 1/24		148.75
	141943	IT-Agremment RMM Patching and AV for 1/24		1,965.00
	141962	IT-Monthly Agreement-KnowBe4 Security Awarness for 1/24		164.88
			Total for Check Number 45010:	2,278.63
			Total for 1/12/2024:	678,161.97
ACH	T359	THE STANDARD INSURANCE COMPANY	01/19/2024	
	00-649299-0087 J	Long Term Disability Benefits		583.99
			Total for this ACH Check for Vendor T359:	583.99
ACH	C571	CALIFORNIA BANK OF COMMERCE	01/19/2024	
	91602-08R	Escrow#1159045 Ret.CL Proj #30-39-501-for 12/1-12/31/23		115,789.50
			Total for this ACH Check for Vendor C571:	115,789.50
ACH	C572	CALIFORNIA BANK OF COMMERCE	01/19/2024	
	91601-08R	Esccrow#1159037 Ret.CL Pro #30-39-502-for 12/1-12/31/23		34,653.09
			Total for this ACH Check for Vendor C572:	34,653.09

Check	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check
ACH	M2213	MOUNTAIN CASCADE, INC.	01/19/2024	
	91602-08	CL Project#30-39-501 for 12/1-12/31/23		2,200,000.50
			Total for this ACH Check for Vendor M2213:	2,200,000.50
ACH	M2214	MOUNTAIN CASCADE, INC.	01/19/2024	
	91601-08	CL Project#30-39-502 for 12/1-12/31/23		658,408.67
			Total for this ACH Check for Vendor M2214:	658,408.67
ACH	S2865	SWCA ENVIRONMENTAL CONSULT. INC.	01/19/2024	
	184688	CL. Integrated Resources Mngmnt Project. For 11/1 - 11/30/23		75,689.54
			Total for this ACH Check for Vendor S2865:	75,689.54
ACH	T111	TANNER PACIFIC, INC	01/19/2024	
	224-005	CL.Int. Res/Mngmnt/TPI/Proj.582301.07 & 08 thru 12/31/23		375,379.31
			Total for this ACH Check for Vendor T111:	375,379.31
45011	C103	CBEC ECO ENGINEERING INC	01/19/2024	
	23-1017-8	PS.CL Operations Plan Development. for 12/1-12/31/23		2,721.50
			Total for Check Number 45011:	2,721.50
45012	C1099	CAROLLO ENGINEERS INC	01/19/2024	
	FB45350	PS/ WTP/PV Water's CL Int. Res/Proj. Design for 11/1-11/30/23		98,730.53
			Total for Check Number 45012:	98,730.53
45013	J301	JACOBS ENGINEERING GROUP INC.	01/19/2024	
	W8Y08701-009	CL/PS/ Pipeline Project/Eng.Services Dsgn for 11/25 to 12/29/23		48,772.95
			Total for Check Number 45013:	48,772.95
45014	P905	M PRESS DIGITAL INC.	01/19/2024	
	21147	CL/Outreach Post Cards for 12/23		4,797.38
			Total for Check Number 45014:	4,797.38
			Total for 1/19/2024:	3,615,526.96
ACH	f365	FIRST AMERICAN TITLE CO.	01/22/2024	
	4408-6428478	APNs:051-101-13, 15, 20 & 22 / Gomez	Escrow No:440	154,507.75
			Total for this ACH Check for Vendor f365:	154,507.75
			Total for 1/22/2024:	154,507.75
45015	A400	ACWA/JPIA WORKERS COMP	01/25/2024	
	10/1 thru 12/31/23	Worker's Compensation Ins. for 10/1 to 12/31/23		5,136.19
			Total for Check Number 45015:	5,136.19
45016	A850	AVAYA FINANCIAL SERVICES.	01/25/2024	
	43938119	Phone/VM Lease Agreement for 1/1-1/31/24		435.12
			Total for Check Number 45016:	435.12

Check	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check
45017	A910	ATCHINSON,BARISONE,CONDOTTI	01/25/2024	
	34410	CL, WSP & Gen Legal Services for 12/1 to 12/31/23		10,976.03
	34412	General Legal Services for 12/1-12/31/23		3,744.76
			Total for Check Number 45017:	14,720.79
45018	C1099	CAROLLO ENGINEERS INC	01/25/2024	
	FB46209	HSR & WSR System Projects Design for 12/1-12/31/23		89,527.56
			Total for Check Number 45018:	89,527.56
45019	C240	CAPIO	01/25/2024	
	20132	Membership renewal thru 2/11/25		400.00
			Total for Check Number 45019:	400.00
45020	E500	ENVIRONMENTAL SCIENCE ASSOCIATES	01/25/2024	
	192569	PS/Updating CL Pipeline Project for 12/1-12/31/23		39,012.60
			Total for Check Number 45020:	39,012.60
45021	F199	C.J. BROWN & COMPANY CPAS	01/25/2024	
	231247	PS. Audit F. Statements FY063023 for the agency for 12/23		2,253.00
			Total for Check Number 45021:	2,253.00
45022	F200	FEDERAL EXPRESS, INC.	01/25/2024	
	837539788	To: Equipco service dept for 1/24		98.52
	838212286	To: QED Invir.Systems for 1/24		443.00
			Total for Check Number 45022:	541.52
45023	K89	KARAS TECHNICAL SERVICES	01/25/2024	
	15230	Digital files for 2022 Annual Report for 1/24		975.00
			Total for Check Number 45023:	975.00
45024	M1175	MONTEREY BAY ANALYTICAL SERVICE INC	01/25/2024	
	240104-54	Water Samples Surface for 1/4/24		561.00
	240104-56	Water Samples CDS for 1/4/24		511.00
	240105-30	Water Samples Surface for 1/5/24		1,456.00
			Total for Check Number 45024:	2,528.00
45025	M1872	MICROSOFT	01/25/2024	
	E0400QGM4O	IT-Online Hydrology 365 Support for 12/17-1/16/24		12.50
			Total for Check Number 45025:	12.50
45026	M1875	MICROSOFT AZURE	01/25/2024	
	E0600QJ460	IT-Support/Pay as you go for 11/12-12/11/23		14.52
			Total for Check Number 45026:	14.52
45027	N255	NHA ADVISORS, LLC	01/25/2024	
	01190	2023-24 WIFIA Loan Consulting for 12/1 - 12/31/23		13,331.25
			Total for Check Number 45027:	13,331.25

Check	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check
45028	O250	ONSET COMPUTER CORP.	01/25/2024	
	271187	Universal Optic-USB base station for 1/24		404.78
			Total for Check Number 45028:	404.78
45029	P1000	PITNEY BOWES GLOBAL FINANCIAL SERVICES LLC	01/25/2024	
	3106477083	Postage Equipment Leasing Fee for 1/30-4/29/24		582.05
			Total for Check Number 45029:	582.05
45030	P629	PASILLAS TIRE SERVICES, INC	01/25/2024	
	45187	Veh. maint. service on truck#7 for 124		707.05
			Total for Check Number 45030:	707.05
45031	P800	PG & E	01/25/2024	
	1787734656-3	Service at 1859 Beach rd/BW-2 for 12/9 to 1/8/24		2,410.13
	3771390038-1	Service at Jensen Rd #3 for 12/19 to 1/18/24		32.81
	5290624576-7	Service at 2240 Beach Rd for 12/19 to 1/18/24		22.96
	9214983032-2	Service at 1931 Beach rd/BW-1 for 12/9 to 1/8/24		363.56
	9218085363-9	Service at 162 San Andreas Rd/HSP Pump for 12/9 to 1/8/24		349.18
	9968544374-1	Service at 36 Brennan St for 12/9 to 1/8/24		810.07
			Total for Check Number 45031:	3,988.71
45032	R40	CARDMEMBER SERVICE	01/25/2024	
	DEC2023	Staff Credit Card Purchases		7,574.17
			Total for Check Number 45032:	7,574.17
45033	S1405	SC FUELS INC	01/25/2024	
	0824598	Agency Vehicles Fuel for 1/3 to 1/8/24		406.77
			Total for Check Number 45033:	406.77
45034	S2915	STURDY OIL COMPANY	01/25/2024	
	0049758-IN	Field Supplies Megaflow for 1/24		346.32
			Total for Check Number 45034:	346.32
45035	S876	SANTA CRUZ SENTINEL	01/25/2024	
	1578005	Daily Office News paper 13 wks for 2/29 thru-5/30/24		111.37
			Total for Check Number 45035:	111.37
45036	U185	U.S. BANK EQUIPMENT FINANCE	01/25/2024	
	519714414	RICOH Office Copier (76 Holohan) for 1/24		159.49
	520413659	RICOH Office Copier (downstairs) for 1/24		208.57
			Total for Check Number 45036:	368.06
45037	V369	VERIZON WIRELESS	01/25/2024	
	9953058795	Agency Personnel Cell Phones & equipt. for 12/2 - 1/1/24		468.24
			Total for Check Number 45037:	468.24

Check	Vendor No / Invoice No	Vendor Name / Description	Check Date / Reference	Check
45038	Z100	ZAG TECHNICAL SERVICES, INC.	01/25/2024	
	142042	IT-Agreement CSP for 1/24		380.00
	142096	IT-Billable/Regular Support Agreement for 1/24		487.50
	142203	IT-Mo. Subs./base retention Agreement-Datto Cloud for 1/24		970.80
			Total for Check Number 45038:	1,838.30
45039	Z100	ZAG TECHNICAL SERVICES, INC.	01/25/2024	
	140478	IT-Agreement CSP for 11/23		380.00
			Total for Check Number 45039:	380.00
			Total for 1/25/2024:	186,063.87
ACH	A1250	AFLAC- FLEX ONE	01/26/2024	
	EE Deferrals	EE PR Deferrals		687.27
			Total for this ACH Check for Vendor A1250:	687.27
ACH	N125	NATIONWIDE RETIREMENT SOLUTION	01/26/2024	
	EE Deferrals	EE PR Deferrals		3,500.00
			Total for this ACH Check for Vendor N125:	3,500.00
ACH	P1300	PERS-Fiscal Services Division Cashier Unit	01/26/2024	
	EE Deferrals	EE PR Deferrals		1,768.40
	Retirement Contri	ER/EE Retirement Contributions		11,585.63
			Total for this ACH Check for Vendor P1300:	13,354.03
ACH	P555	PVWMA-Cafeteria Account	01/26/2024	
	EE Deferrals	EE PR Deferrals		1,534.95
			Total for this ACH Check for Vendor P555:	1,534.95
			Total for 1/26/2024:	19,076.25
45041	UB*00541	WILLIAM & MARGARET HENRY, TTEE	01/31/2024	
		Refund Check 013125-000, Reissue uncashed ck		115.00
			Total for Check Number 45041:	115.00
45042	UB*00544	WAYNE WEBER	01/31/2024	
		Refund Check 012901-000, Reissued uncashed ck		115.00
			Total for Check Number 45042:	115.00
			Total for 1/31/2024:	230.00
			Report Total (80 checks):	9,583,749.07

MEMORANDUM

DATE: February 16, 2024
MEETING OF: February 21, 2024
TO: Board of Directors
FROM: General Manager
RE: **INFORMATIONAL ITEM 10A:** Basin Management Plan Implementation Update

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BACKGROUND

Staff prepares the following update monthly with the intent of keeping the Board of Directors and public up to date with respect to capital projects planning, funding, and when applicable, construction.

DISCUSSION

- Funding
    - Staff and consultants are continuing to work on the Water Infrastructure Finance and Innovation Act (WIFIA) application; staff and directors signed all the necessary documents on February 12, 2024, and based on the EPA's current schedule, the loans will close on February 20, 2024.
    - Department of Conservation (DoC) Multibenefit Land Repurposing Grant program, which includes $8.89 million in funding for PV Water and partners the Resource Conservation District of Santa Cruz County, the University of California, Santa Cruz, the Santa Cruz County Land Trust, the Pajaro River Flood Management Agency, Watsonville Wetlands Watch, and the Nature Conservancy: PV Water's staff are attending regular meetings with DoC staff and the "Statewide Support Entity." Staff and consultants are preparing sub-grantee agreements and preparing to develop a request for proposals for consultant support to facilitate and prepare the Multibenefit Land Repurposing Plan.
    - DWR SGMA Implementation Grant, Round 1, which supports College Lake Project pre-construction activities: PV Water Staff is preparing Invoice No. 6. The grant is within the last 10% of grant funds which DWR will hold for retention. Retention funds will be released at the completion of the grant.
- Recycled Water Facility Optimization
    - Reliability, Operations, and Condition Assessment Project: Received and reviewed electrical study focusing on Standby Power Options and Variable Frequency Drives (VFDs) at the Recycled Water Facility. Staff will be working with the electrical engineer to prepare a scope and budget to design the recommended standby power options and VFD upgrades.
- College Lake Integrated Resources Management Project
    - Construction:
        - Weir Structure
            - No new work this last month due to saturated conditions.
            - The contractor is implementing the Winterization Plan.

        - Water Treatment Plant
            - Decanting lagoons: the contractor continues work on the decanting lagoons.
            - Construction of electrical building continues.
            - Construction of Chemical Storage Facilities.
            - Contractor is continuing to monitor soil consolidation.
        - Raw Water Pipeline
            - Construction of the raw water pipeline commenced in December but has been on hold of late due to wet weather conditions.
        - Treated Water Pipeline
            - Contractor reports that nearly 5 miles of the 6 mile pipeline is complete.
            - Construction in Riverside Road / Hwy 129 began on January 8, 2024; construction activities are currently taking place east of Locust Street
    - Environmental: Biological, Cultural, and Native American resource monitoring is taking place and worker environmental training continues.
    - Adaptive Management Plan: Hydrologic monitoring, waterfowl monitoring, and steelhead surveys occurred this year and/or continue to occur. Waterfowl surveys were conducted on at least 20 separate days in 2023, and 6 separate days in 2024 thus far. The annual vegetation survey took place between October 2 and October 13, 2023 and the final report is in preparation.
    - Outreach Activities: Are ongoing. Staff continues to present to the Santa Cruz County Farm Bureau's Public Policy Committee monthly; commercials focused on pipeline construction in Riverside Road ran in January; updated commercials will run in March. The Pajaronian and Look Out Santa Cruz have recently published articles covering the Project. Please check https://www.pvwater.org/construction; regularly for construction related updates.
- Watsonville Slough System Managed Aquifer Recharge & Recovery Projects
    - Permitting: Ongoing.
    - Design: Basis of Design Report (i.e. 30% submittal) is complete and under review.
    - Environmental: The Biological Assessment and Aquatic Resources Reports are now complete; Addendum to the EIR is nearly complete.
    - Harkins Slough Recharge Basin Recovery Wells 2022 Project: The contractor is installing "motor saver" electrical protection devices for the all the recovery wells.

FISCAL IMPACT

There is no fiscal impact associated with this monthly update.

STAFF RECOMMENDATION

The Board receives the update.

ATTACHMENTS

- None

MEMORANDUM

DATE: February 16, 2024
MEETING OF: February 21, 2024
TO: Board of Directors
FROM: General Manager
RE: **INFORMATIONAL ITEM 10B:** Receive Update on Proposition 1, Round 2, Integrated Regional Water Management Implementation Grant in the amount of $4.8 Million with $1.8 Million Allocated for PV Water's College Lake Integrated Resources Management Project – Treated Water Pipeline

BACKGROUND

The Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1), provides $143.7 million in funding for the Integrated Regional Water Management (IRWM) Round 2 Grant Program. Specifically, it includes approximately $19.75 million for IRWM projects in the Central Coast Region. In January 2023, San Benito County Water District (SBCWD), on behalf of the Pajaro River Watershed IRWM region, submitted an implementation grant seeking approximately $4.78 million for high priority projects in the region. The grant application included three high priority projects and grant administration as listed below:

Project	Project Sponsor	Project Cost	Grant Amount
Accelerated Drought Response Project	SBCWD	$3,815,000	$1,800,000
Watsonville Slough System Managed Aquifer Recharge Project	PV Water	$30,515,000	$1,800,000
Stormwater Capture and Aquifer Recharge	SCVWD*	$1,183,540	$900,000
IRWM Implementation Grant Administration	SBCWD	$275,427	$275,427
	Total	$35,788,967	$4,775,427

*Santa Clara Valley Water District

In May 2023, DWR announced final funding recommendations including a proposed full award of $4.78 million to the Pajaro River Watershed.

DISCUSSION

The Pajaro River Watershed IRWM Regional Water Management Group conducted a competitive process to identify and prioritize projects to be included in the Round 2 IRWM application. There were six project submittals, including two from Pajaro Valley Water Management Agency, the Watsonville Slough System Managed Aquifer Recharge and Recovery (WSS-MARR) Project and the College Lake Integrated Resources Management Project (College Lake Project).

While the College Lake Project was the highest scoring IRWM project, PV Water opted to include the WSS-MARR Project (in the IRWM application for a number of reasons including the fact that PV Water would be submitting a grant application for $20 million for the College Lake Project to the California Department of Water Resources (DWR) Sustainable Groundwater Management (SGM) Grant Program just a few weeks before the IRWM application submittal. Unfortunately, the SGM grant was not awarded. As a result, PV Water shifted its strategy and staff requested that IRWM funding be reallocated from the WSS-MARR Project to the College Lake Project, as the College Lake Project had just moved into the construction phase and was PV Water's highest priority for funding. DWR approved the request and the agreement between SBCWD and DWR is now fully executed.

The WSS-MARR Project is PV Water's second highest priority project. With the success of the last-minute shift in funding from the WSS-MARR Project to the College Lake Project, staff were able to prioritize funding for the College Lake Project while also preserving the possibility to pursue future grant opportunities for the WSS-MARR Project. This was a win-win for PV Water and for the IRWM program as the College Lake Project was the highest ranked project and it addresses all of the IRWM funding priorities.

With the grant agreement between DWR and SBCWD fully executed, SBCWD will prepare sub-agreement for the other project sponsors, including PV Water. Once received, PV Water staff will review and execute the agreement and proceed in preparing a requisition to receive the funds.

FISCAL IMPACT

PV Water is receiving a $1.8 million grant as a result of this effort.

STAFF RECOMMENDATION

The Board receives the update.

ATTACHMENTS

- Fully Executed Agreement between DWR and San Benito County Water District

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GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA (DEPARTMENT OF WATER RESOURCES) AND SAN BENITO COUNTY WATER DISTRICT AGREEMENT NUMBER 4600015398 PROPOSITION 1 ROUND 2 INTEGRATED REGIONAL WATER MANAGEMENT (IRWM) IMPLEMENTATION GRANT

THIS GRANT AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" or “DWR,” and the San Benito County Water District, a special district in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Grantee," which parties do hereby agree as follows:

1) PURPOSE. The State shall provide funding from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1) to the Grantee to assist in financing the projects, which are included in and implemented in an adopted Integrated Regional Water Management Plan (IRWM Plan), pursuant to Chapter 7. Regional Water Security, Climate, and Drought Preparedness (Wat. Code, § 79740 et seq.). The provision of State funds pursuant to this Agreement shall be construed or interpreted to mean that the IRWM Plan, or any components of the IRWM Plan, implemented in accordance with the Work Plan as set forth in Exhibit A, has been adopted through the IRWM Plan Review Process, and is/are consistent with Water Code section 10530 et seq.

2) TERM OF GRANT AGREEMENT. The term of this Grant Agreement begins on May 6, 2022, through final payment plus three (3) years unless otherwise terminated or amended as provided in this Grant Agreement. However, all work shall be completed by June 30, 2027, in accordance with the Schedule as set forth in Exhibit C and no funds may be requested after September 30, 2027.

3) GRANT AMOUNT. The maximum amount payable by the State under this Grant Agreement shall not exceed $4,775,427.

4) GRANTEE COST SHARE. The Grantee is required to provide a Local Cost Share (non-state funds) as set forth in Exhibit B (Budget). Local Cost Share may include Eligible Project Costs directly related to Exhibit A incurred after January 1, 2015.

5) BASIC CONDITIONS. The State shall have no obligation to disburse money for the Project(s) under this Grant Agreement until the Grantee has satisfied the following conditions (if applicable):

   A. The Grantee shall demonstrate compliance with all eligibility criteria as set forth on pages 9-11, inclusive, of the 2022 IRWM Grant Program Guidelines (2022 Guidelines).

   B. For the term of this Agreement, the Grantee shall submit Quarterly Progress Reports which must accompany an invoice ($0 Invoices are acceptable) and all invoice backup documentation. The Quarterly Progress Report shall be submitted within 60 days following the end of the calendar quarter (i.e., reports due May 30, August 29, November 29, and March 1) and all other deliverables as required by Paragraph 14, “Submission of Reports” and Exhibit A, “Work Plan”.

   C. Prior to the commencement of construction or implementation activities, if applicable, the Grantee shall submit the following to the State.

      i. Final plans and specifications certified, signed and stamped by a California Registered Civil Engineer (or equivalent registered professional as appropriate) to certify compliance for each approved project as listed in Exhibit A of this Grant Agreement.

      ii. Work that is subject to the California Environmental Quality Act (CEQA) (including final land purchases) shall not proceed under this Grant Agreement until the following actions are performed:

         a) The Grantee submits to the State all applicable permits, as indicated on the Environmental Information Form to the State,

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b) All documents that satisfy the CEQA process are received by the State,

c) The State has completed its CEQA process as a Responsible Agency, and

d) The Grantee receives written notification from the State of concurrence with the Lead Agency's CEQA documents (s) and State's notice of verification of permit submittal.

The State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, the State will consider the environmental documents and decide whether to continue to fund the project, or to require changes, alterations, or other mitigation. Proceeding with work subject to CEQA prior to the State's concurrence shall constitute a material breach of this Agreement. The Grantee or Local Project Sponsor (LPS) shall also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act (NEPA) by submitting copies of any environmental documents, including Environmental Impact Statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/ implementation.

iii. A monitoring plan as required by Paragraph 16, "Monitoring Plan Requirements," if applicable.

6) DISBURSEMENT OF FUNDS. The State will disburse to the Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Grant Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation. Any and all money disbursed to the Grantee under this Grant Agreement shall be deposited in a non-interest-bearing account and shall be used solely to pay Eligible Project Costs.

7) ELIGIBLE PROJECT COST. The Grantee shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B, "Budget". Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition and associated legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Costs incurred after May 5, 2022, may be eligible for reimbursement.

Costs that are not eligible for reimbursement include, but are not limited to, the following items:

A. Costs, other than those noted above, incurred prior to the award date of this Grant.

B. Costs for preparing and filing a grant application.

C. Operation and maintenance costs, including post construction performance and monitoring costs.

D. Purchase of equipment that is not an integral part of a project.

E. Establishing a reserve fund.

F. Purchase of water supply.

G. Replacement of existing funding sources (e.g., bridge loans).

H. Meals, food items, or refreshments.

I. Payment of any punitive regulatory agency requirement, federal or state taxes.

J. Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies, or acquisition of land by eminent domain.

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K. Indirect Costs. “Indirect Costs” means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded project (i.e., costs that are not directly related to the funded project). Examples of Indirect Costs include but are not limited to: central service costs; general administration of the Grantee or LPSs; non-project-specific accounting and personnel services performed within the Grantee’s or LPS’ organization; depreciation or use allowances on buildings and equipment; the costs of operating and maintaining non-project-specific facilities; tuition and conference fees; forums, trainings, and seminars; and, generic overhead or markup. This prohibition applies to the Grantee, LPSs, and any subcontract or sub-agreement for work on the Project that will be reimbursed pursuant to this Agreement.

L. Mitigation for environmental impacts not resulting from implementation of the Project funded by this program.

M. Costs incurred as part of any necessary response and cleanup activities required under the Comprehensive Environmental Response, Compensation, and Liability Act; Resource Conservation and Recovery Act; Hazardous Substances Account Act; or other applicable law.

8) METHOD OF PAYMENT. After the disbursement requirements in Paragraph 5, “Basic Conditions” are met, the State will disburse the whole or portions of State funding to the Grantee, following receipt from the Grantee of an electronic invoice certified and transmitted via electronic/digital signature system (e.g., DocuSign) or via US mail or Express mail delivery of a “wet signature” for costs incurred, including Local Cost Share, and timely Quarterly Progress Reports as required by Paragraph 14, “Submission of Reports.” Payment will be made no more frequently than quarterly, in arrears, upon receipt of an invoice bearing the Grant Agreement number. Quarterly Progress Report must accompany an invoice ($0 Invoices are acceptable) and shall be submitted within 60 days following the end of the calendar quarter (i.e. invoices due May 30, August 29, November 29, and March 1). The State will notify the Grantee, in a timely manner, whenever, upon review of an invoice, the State determines that any portion or portions of the costs claimed are not eligible costs or is not supported by documentation or receipts acceptable to the State. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to the State to cure such deficiency(ies). If the Grantee fails to submit adequate documentation curing the deficiency(ies), the State will adjust the pending invoice by the amount of ineligible or unapproved costs.

Invoices submitted by the Grantee shall include the following information:

A. Costs incurred for work performed in implementing the Project during the period identified in the particular invoice.

B. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for a project during the period identified in the particular invoice for the implementation of a project.

C. Invoices shall be submitted on forms provided by the State and shall meet the following format requirements:

i. Invoices shall contain the date of the invoice, either the time period covered by the invoice or the invoice date received within the time period covered, and the total amount due.

ii. Invoices shall be itemized based on the categories (i.e., tasks) specified in Exhibit B, “Budget.” The amount claimed for salaries/wages/consultant fees shall include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).

iii. One set of sufficient evidence (i.e., receipts, copies of checks, personnel hours’ summary table, time sheets) shall be provided for all costs included in the invoice.

iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the State’s funding amount, as depicted in Paragraph 3, “Grant Amount” and those costs that represent the Grantee’s costs, as applicable, in Paragraph 4, “Grantee Cost Share.”

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v. Original signature and date of the Grantee's Project Representative. Submit an electronic invoice, certified and transmitted via electronic/digital signature system (e.g., DocuSign), from authorized representative to the Project Manager or the original "wet signature" copy of the invoice form to the Project Manager at the following address: P.O. Box 942836 Sacramento, CA 94236.

All invoices submitted shall be accurate and signed under penalty of law. Any and all costs submitted pursuant to this Agreement shall only be for the tasks set forth herein. The Grantee shall not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., cost share). Any eligible costs for which the Grantee is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder plus interest. Additionally, the State may request an audit pursuant to Standard Condition D.5 and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. (Civ. Code, §§ 1572-1573; Pen. Code, §§ 470, 487-489.)

9) ADVANCED PAYMENT. Water Code section 10551 authorizes advanced payment by the State for projects included and implemented in an applicable Integrated Regional Water Management Plan, and when the project proponent is a nonprofit organization; a disadvantaged community (DAC); or the project benefits a DAC. If a project is awarded less than $1,000,000 in grant funds, the project proponent may receive an advanced payment of fifty (50) percent of the grant award; the remaining fifty (50) percent of the grant award will be reimbursed in arrears after the advanced funds of a budget category have been fully expended. Within ninety (90) calendar days of execution of the Grant Agreement, the Grantee may provide the State an Advanced Payment Request. Advanced Payment Requests received ninety-one (91) calendar days after the execution of this Agreement will not be eligible to receive an advanced payment. The Advanced Payment Request shall contain the following:

A. Documentation demonstrating that each Local Project Sponsor (if different from the Grantee, as listed in Exhibit I) was notified about their eligibility to receive an advanced payment and a response from the Local Project Sponsor stating whether it wishes to receive the advanced payment or not.

B. If the Grantee is requesting the advanced payment, the request(s) shall include:

i. Descriptive information of each project with an update on project status.

ii. The names of the entities that will receive the funding for each project, including, but not limited to, an identification as to whether the project proponent or proponents are nonprofit organizations or a DAC, or whether the project benefits a DAC.

iii. A detailed Funding Plan which includes how the advanced payment will be expended (in terms of workplan, budget, and schedule) within the timeframe agreed upon by DWR and the Grantee. The Funding Plan must clearly identify the total budget (at Budget Category Level) for each project clearly showing the portion of advanced payment and reimbursement funds.

iv. Any other information that DWR may deem necessary.

C. Upon review and approval of the Advanced Payment Request, DWR will authorize payment of the fully requested amount for the qualified project(s). Based on the project's Funding Plan and other considerations, DWR may determine it is not prudent to advance the full request in a single disbursement. In such a case, DWR will develop a "Disbursement Schedule," to disburse funds in installments. This Disbursement Schedule may change based on the project's ongoing compliance with the Advanced Payment requirements and the project's cash flow needs.

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D. Once DWR authorizes the Advanced Payment Request, the Grantee shall submit Advanced Payment Invoice(s) for the initial amount based on the "Disbursement Schedule" on behalf of the LPS(s), containing the request for each qualified project, to the State with signature and date of the Grantee's Project Representative, as indicated in Paragraph 21, "Project Representative." The Grantee shall be responsible for the timely distribution of the advanced funds to the respective LPS(s). The Advanced Payment Invoice(s) shall be submitted on forms provided by the State and shall meet the following format requirements:

i. Invoice shall contain the date of the invoice, the time period covered by the invoice, and the total amount due.

ii. Invoice shall be itemized based on the budget categories specified in Exhibit B, "Budget."

iii. The State Project Manager will notify the Grantee, in a timely manner, when, upon review of an Advance Payment Invoice, the State determines that any portion or portions of the costs claimed are not eligible costs. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies).

iv. On a quarterly basis, the Grantee will submit an Accountability Report to the State that demonstrates how actual expenditures compare with the scheduled budget. The Accountability Report shall include the following information:

1. An itemization of how advanced funds have been spent to-date (Expenditure Report), including documentation that supports the disbursements (e.g., contractor invoices, receipts, personnel hours, etc.). Accountability Reports shall be itemized based on the budget categories (i.e., tasks) specified in Exhibit B.

2. An updated Accountability Report including an updated Funding Plan that depicts how the remaining advanced funds will be expended and the activities and deliverables associated with the advanced funds within the timeframe agreed upon by DWR and the Grantee when the advanced payment request was approved.

3. Documentation that the funds were placed in a non-interest-bearing account, including the dates of deposits and withdrawals from that account.

4. Proof of distribution of advanced funds to LPS(s), if applicable.

v. The State's Project Manager will notify the Grantee, in a timely manner, when, upon review of the Accountability Report, the State determines that any portion of the expenditures claimed are not eligible costs. The Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to cure such deficiency(ies). If costs are not consistent with the tasks in Exhibit A, the State will reject the claim and remove them from the Accountability Report.

E. Once the Grantee has spent all advanced funds in a budget category, then the method of payment will revert to the reimbursement process for that budget category specified in Paragraph 8, "Method of Payment for Reimbursement."

10) REPAYMENT OF ADVANCES. The State may demand repayment from the Grantee of all or any portion of the advanced State funding along with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by the State, and take any other action that it deems necessary to protect its interests for the following conditions:

A. A project is not being implemented in accordance with the provisions of the Grant Agreement.

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B. The Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction.

C. Failure by the Grantee to submit complete and accurate quarterly Accountability Reports by the required due dates, unless otherwise approved by DWR.

D. Failure to deposit funds in a non-interest-bearing account.

E. Use of Advance Payment funds for ineligible expenses and/or activities not consistent with this Agreement.

F. Inappropriate use of funds, as deemed by DWR.

G. Repayment amounts may also include:

i. Actual costs incurred which are not consistent with the activities presented in Exhibit A, not supported, or are ineligible.

ii. Advanced funds which are not fully expended by project completion, notwithstanding Water Code section 10551(c)(4). Unused grant funds shall be returned to DWR within sixty (60) calendar days.

Any repayment of advanced funds may consist of reducing the amount from future reimbursement invoices. The State may consider the Grantee's refusal to repay the requested advanced amount a material breach of this Agreement subject to the default provisions in Paragraph 12, "Default Provisions." If the State notifies the Grantee of its decision to demand repayment or withhold the entire funding amount from the Grantee pursuant to this Paragraph, this Grant Agreement shall terminate upon receipt of such notice by the Grantee and the State shall no longer be required to provide funds under this Agreement.

11) WITHHOLDING OF DISBURSEMENTS BY THE STATE. If the State determines that a project is not being implemented in accordance with the provisions of this Grant Agreement, or that the Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if the Grantee does not remedy any such failure to the State's satisfaction, the State may withhold from the Grantee all or any portion of the State funding and take any other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to the Grantee and the State notifies the Grantee of its decision not to release funds that have been withheld pursuant to Paragraph 12, "Default Provisions," the portion that has been disbursed shall thereafter be repaid immediately with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by the State. The State may consider the Grantee's refusal to repay the requested disbursed amount a material breach subject to the default provisions in Paragraph 12, "Default Provisions." If the State notifies the Grantee of its decision to withhold the entire funding amount from the Grantee pursuant to this Paragraph, this Grant Agreement shall terminate upon receipt of such notice by the Grantee and the State shall no longer be required to provide funds under this Grant Agreement and the Grant Agreement shall no longer be binding on either party.

12) DEFAULT PROVISIONS. The Grantee shall be in default under this Grant Agreement if any of the following occur:

A. Substantial breaches of this Grant Agreement, or any supplement or amendment to it, or any other Agreement between the Grantee and the State evidencing or securing the Grantee's obligations.

B. Making any false warranty, representation, or statement with respect to this Grant Agreement or the application filed to obtain this Grant Agreement.

C. Failure to operate or maintain the Project in accordance with this Grant Agreement.

D. Failure to make any remittance required by this Grant Agreement, including any remittance recommended as the result of an audit conducted pursuant to Standard Condition D.5.

E. Failure to submit quarterly progress reports pursuant to Paragraph 5.

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F. Failure to routinely invoice the State pursuant to Paragraph 8.

G. Failure to meet any of the requirements set forth in Paragraph 13, "Continuing Eligibility."

Should an event of default occur, the State shall provide a notice of default to the Grantee and shall give the Grantee at least ten (10) calendar days to cure the default from the date the notice is sent via first-class mail to the Grantee. If the Grantee fails to cure the default within the time prescribed by the State, the State may do any of the following:

H. Declare the funding be immediately repaid, with interest, which shall be equal to State of California general obligation bond interest rate in effect at the time of the default.

I. Terminate any obligation to make future payments to the Grantee.

J. Terminate the Grant Agreement.

K. Take any other action that it deems necessary to protect its interests.

In the event the State finds it necessary to enforce this provision of this Grant Agreement in the manner provided by law, the Grantee agrees to pay all costs incurred by the State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

13) CONTINUING ELIGIBILITY. The Grantee shall meet the following ongoing requirement(s) and all eligibility criteria outlined in the 2022 Guidelines to remain eligible to receive State funds:

A. An urban water supplier that receives grant funds pursuant to this Agreement shall maintain compliance with the Urban Water Management Planning Act (UWMP; Wat. Code, § 10610 et seq.) and Sustainable Water Use and Demand Reduction (Wat. Code, § 10608 et seq.) as set forth on page 11 of the 2022 Guidelines and as stated on page 25 of the 2022 IRWM Implementation Grant Proposal Solicitation Package.

B. An agricultural water supplier receiving grant funds shall comply with Sustainable Water Use and Demand Reduction requirements outlined in Water Code section 10608, et seq. and have their Agricultural Water Management Plan (AWMP) deemed consistent by DWR. To maintain eligibility and continue funding disbursements, an agricultural water supply shall have their 2015 AWMP identified on the State's website. For more information, visit the website listed in Appendix A in the 2022 Guidelines.

C. A surface water diverter receiving grant funds shall maintain compliance with diversion reporting requirements as outlined in Water Code section 5100 et. seq.

D. If applicable, the Grantee shall demonstrate compliance with the Sustainable Groundwater Management Act (SGMA) set forth on page 10 of the 2022 Guidelines.

E. If the Grantee has been designated as a monitoring entity under the California Statewide Groundwater Elevation Monitoring (CASGEM) Program, the Grantee shall maintain reporting compliance, as required by Water Code section 10932 and the CASGEM Program.

F. The Grantee shall adhere to the protocols developed pursuant to The Open and Transparent Water Data Act (Wat. Code, § 12406, et seq.) for data sharing, transparency, documentation, and quality control.

G. On March 4, 2022, the Governor issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. The EO may be found at: https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under State law. The EO directs DWR to terminate funding agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine that the Grantee is a target of Economic Sanctions or is conducting prohibited transactions

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with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State shall provide the Grantee advance written notice of such termination, allowing the Grantee at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

14) SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to the State. All reports shall be submitted to the State's Project Manager and shall be submitted via the DWR "Grant Review and Tracking System" (GRanTS). If requested, the Grantee shall promptly provide any additional information deemed necessary by the State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F, "Report Formats and Requirements." The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the State of a Project Completion Report is a requirement for the release of any funds retained for such project.

   A. Quarterly Progress Reports: The Grantee shall submit quarterly Progress Reports to meet the State's requirement for disbursement of funds. Progress Reports shall be uploaded via GRanTS, and the State's Project Manager notified of upload. Progress Reports shall, in part, provide a brief description of the work performed, the Grantee's activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Grant Agreement during the reporting period. The first Progress Report must accompany an invoice ($0 Invoices are acceptable) and shall be submitted within 60 days following the end of the calendar quarter (i.e. invoices due May 30, August 29, November 29, and March 1).

   B. Accountability Report: The Grantee shall prepare and submit to the State an Accountability Report on a quarterly basis if the Grantee received an advanced payment, consistent with the provisions in Paragraph 9, "Advanced Payment."

   C. Project Completion Report: The Grantee shall prepare and submit to the State a separate Project Completion Report for each project included in Exhibit A. The Grantee shall submit a Project Completion Report (or a Component Completion Report, if a Project has multiple Components) within ninety (90) calendar days of Project/Component completion as outlined in Exhibit F.

   D. Grant Completion Report: Upon completion of all the Projects included in Exhibit A, the Grantee shall submit to the State a Grant Completion Report. The Grant Completion Report shall be submitted within ninety (90) calendar days of submitting the Completion Report for the final project to be completed under this Grant Agreement, as outlined in Exhibits A, and F. Retention for any grant administration line items in the Budget of this Grant Agreement will not be disbursed until the Grant Completion Report is approved by the State.

   E. Post-Performance Reports: The Grantee shall prepare and submit to the State Post-Performance Reports for the applicable project(s). Post-Performance Reports shall be submitted to the State within ninety (90) calendar days after the first operational year of a project has elapsed. This record keeping and reporting process shall be repeated annually for a total of three (3) years after the project begins operation.

15) OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by the State, the Grantee agrees to ensure or cause to be performed the commencement and continued operation of the project, and shall ensure or cause the project to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The State shall not be liable for any cost of such maintenance, management, or operation. The Grantee or their successors may, with the written approval of the State, transfer this responsibility to use, manage, and maintain the property. For purposes of this

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Grant Agreement, “useful life” means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; “operation costs” include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and “maintenance costs” include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal by the Grantee to ensure operation and maintenance of the projects in accordance with this provision may, at the option of the State, be considered a breach of this Grant Agreement and may be treated as default under Paragraph 12, “Default Provisions.”

16) MONITORING PLAN REQUIREMENTS. A Monitoring Plan shall be submitted to the State prior to disbursement of State funds for construction or monitoring activities. The Monitoring Plan should incorporate Post-Performance Monitoring Report requirements as defined and listed in Exhibit F, and follow the guidance provided in Exhibit L, “Project Monitoring Plan Guidance.”

17) STATEWIDE MONITORING REQUIREMENTS. The Grantee shall ensure that all groundwater projects and projects that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Water Code § 10780 et seq.) and, where applicable, that projects that affect water quality shall include a monitoring component that allows the integration of data into statewide monitoring efforts, including where applicable, the Surface Water Ambient Monitoring Program carried out by the State Water Resources Control Board. See Exhibit G for web links and information regarding other State monitoring and data reporting requirements.

18) NOTIFICATION OF STATE. The Grantee shall promptly notify the State, in writing, of the following items:

A. Events or proposed changes that could affect the scope, budget, or work performed under this Grant Agreement. The Grantee agrees that no substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to the State and the State has given written approval for such change. Substantial changes generally include changes to the scope of work, schedule or term, and budget.

B. Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by the State’s representatives. The Grantee shall make such notification at least fourteen (14) calendar days prior to the event.

C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the Grantee agrees that all work in the area of the find shall cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the State has determined what actions should be taken to protect and preserve the resource. The Grantee agrees to implement appropriate actions as directed by the State.

D. The initiation of any litigation or the threat of litigation against the Grantee or an LPS regarding the Project or which may affect the Project in any way.

E. Applicable to construction projects only: Final inspection of the completed work on a project by a Registered Professional (Civil Engineer, Engineering Geologist, or other State approved certified/licensed Professional), in accordance with Exhibit D. The Grantee shall notify the State’s Project Manager of the inspection date at least fourteen (14) calendar days prior to the inspection in order to provide the State the opportunity to participate in the inspection.

19) NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Grant Agreement shall be in writing. Notices may be transmitted by any of the following means:

A. By delivery in person.

B. By certified U.S. mail, return receipt requested, postage prepaid.

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C. By "overnight" delivery service, provided that next-business-day delivery is requested by the sender.

D. By electronic means.

E. Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U.S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the addresses listed below. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

20) PERFORMANCE EVALUATION. Upon completion of this Grant Agreement, the Grantee's performance will be evaluated by the State and a copy of the evaluation will be placed in the State file and a copy sent to the Grantee.

21) PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant Agreement are as follows:

Department of Water Resources

Arthur Hinojosa
Manager, Division of Regional Assistance
P.O. Box 942836
Sacramento, CA 94236
Phone: (916) 902-6713
Email: Arthur.Hinojosa@water.ca.gov

San Benito County Water District

Steve Wittry
General Manager
30 Mansfield Road
Hollister, CA 95024
Phone: (831) 637-8218
Email: SWittry@sbcwd.com

Direct all inquiries to the Project Manager:

Department of Water Resources

Faiyaz Mohammed
Water Resources Engineer
P.O. Box 942836
Sacramento, CA 94236
Phone: (916) 326-9951
Email: Faiyaz.Mohammed@water.ca.gov

San Benito County Water District

Joyce Machado
Manager of Administration, Finance and Business Services
30 Mansfield Road
Hollister, CA 95024
Phone: (831) 637-8218
Email: JMachado@sbcwd.com

Either party may change its Project Representative or Project Manager upon written notice to the other party.

22) STANDARD PROVISIONS. This Grant Agreement is complete and is the final Agreement between the parties. The following Exhibits are attached and made a part of this Grant Agreement by this reference:

Exhibit A – Work Plan

Exhibit B – Budget

Exhibit C – Schedule

Exhibit D – Standard Conditions

Exhibit E – Authorizing Resolution

Exhibit F – Report Formats and Requirements

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Exhibit G – Requirements for Data Submittal

Exhibit H – State Audit Document Requirements and Cost Share Guidelines for the Grantee

Exhibit I – Local Project Sponsors and Project Locations

Exhibit J – Appraisal Specifications

Exhibit K – Information Needed for Escrow Processing and Closure

Exhibit L – Project Monitoring Plan Guidance

Exhibit M – Invoice Guidance for Administrative and Overhead Charges

IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement.

STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

Arthur Hinojosa
Manager, Division of Regional Assistance

Date 2/8/2024

SAN BENITO COUNTY WATER
DISTRICT

Steve Wittry
General Manager

Date 2/8/2024

Approved as to Legal Form and Sufficiency

James Herink For
Robin Brewer
Assistant General Counsel,
Office of the General Counsel

Date 2/8/2024

ME AMO

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EXHIBIT A

WORK PLAN

PROPOSITION 1 ROUND 2 PAJARO RIVER WATERSHED IRWM IMPLEMENTATION GRANT

PROJECT 1: Grant Administration

IMPLEMENTING AGENCY: San Benito County Water District (Grantee)

PROJECT DESCRIPTION: The Grantee will administer these funds and respond to DWR's reporting and compliance requirements associated with the grant administration. This Grantee will act in a coordination role: disseminating grant compliance information to the project managers responsible for implementing the projects contained in this agreement, obtaining and retaining evidence of compliance (e.g., CEQA/NEPA documents, reports, monitoring compliance documents, labor requirements, etc.), obtaining data for progress reports from individual project managers, assembling and submitting progress reports to the State, and coordinating all invoicing and payment of invoices.

Budget Category (a): Project Administration

Task 1: Agreement Administration

The Grantee will respond to DWR's reporting and compliance requirements associated with the grant administration and will coordinate with the project managers responsible for implementing the projects contained in this Agreement.

Task 2: Invoicing

The Grantee will be responsible for compiling invoices for submittal to DWR. This includes collecting invoice documentation from each of the Local Project Sponsors and compiling the information into a DWR Invoice Packet.

Deliverables:

- Quarterly Invoices and associated backup documentation

Task 3: Reporting

The Grantee will be responsible for compiling progress reports for submittal to DWR. The Grantee will coordinate with Local Project Sponsor staff to retain consultants as needed to prepare and submit progress reports and final project completion reports for each project, as well as the grant completion report.

Reports will meet generally accepted professional standards for technical reporting and the requirements terms of the contract with DWR outlined in Exhibit F of this Agreement.

Deliverables:

- Quarterly Progress Reports
- Grant Completion Report

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PROJECT 1: Accelerated Drought Response Project (ADRP)

IMPLEMENTING AGENCY: San Benito County Water District (SBCWD)

PROJECT DESCRIPTION: The project is an aquifer storage and recovery (ASR) project that will treat and store excess imported water from United States Bureau of Reclamation's Central Valley Project (CVP) via ASR wells in wet years and then extract the stored water from the same wells during drought periods. The project includes 3 components: the expansion of the existing West Hills Water Treatment Plant (WHWTP), transmission pipelines and appurtenances, and install five ASR wells. The project will allow 2,700 acre-feet per year of groundwater recharge, improving the region's climate resiliency, water efficiency, and drought preparedness.

Budget Category (a): Project Administration

Task 1: Project Management

Manage Grant Agreement including compliance with grant requirements, and preparation and submission of supporting grant documents and coordination with IRWM regional manager. Prepare invoices including relevant supporting documentation for submittal to DWR. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to IRWM regional manager.

Prepare Project Completion Report and submit to IRWM regional manager for submittal to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Quarterly Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase

This task includes development of a property acquisition strategy and subsequent implementation of that strategy, including coordination with property owners, negotiating temporary and permanent easement with landowners, obtaining appraisals and market valuations as needed, and interfacing with real estate agents and title companies. The WHWTP expansion will occur on property owned by SBCWD; no additional land acquisition is required. The transmission pipelines will be constructed in public rights of way; easements may be needed. Land may be required for the five new well sites.

Deliverables:

- Documentation supporting property value (if purchased)

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- All relevant documentation regarding property ownership transfer or acquisition of easement including final recorded deed, title report, etc.

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies

The San Benito Urban Area Water Supply and Treatment Master Plan Update, completed in June 2022, evaluated various water supply alternatives to increase the resiliency of the water supply and concluded that ASR was the highest-ranking alternative. ASR feasibility was further evaluated in the ADRP Small Surface Water and Groundwater Storage Projects Feasibility Study (April 2023).

Deliverables:

- San Benito Urban Area Water Supply and Treatment Master Plan Update
- ADRP Small Surface Water and Groundwater Storage Projects Feasibility Study

Task 5: CEQA Documentation

Complete environmental review pursuant to CEQA. Prepare all necessary environmental documentation. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

The transmission pipelines will be constructed in public rights of way and only encroachment permits are anticipated to be required.

Deliverables:

- Permits as required

Task 7: Design

This task includes the work necessary to prepare the design plans and specifications for the ADRP project. Specific activities include development of a Basis of Design Report (BODR), geotechnical investigations, and final design. The BODR will include preliminary design analysis for the five ASR wells and well site development, preliminary design of the pipelines, and preliminary design of the West Hills WTP Expansion. Utility investigation and a site survey will also be conducted as part of the BODR. The geotechnical investigation will include up to 10 test borings, laboratory testing, and engineering analyses. A Geotechnical Report will be prepared to document findings and conclusions.

The final design effort includes preparation of drawings, specifications, and engineer's estimate of probable construction cost. Interim progress submittals will be prepared at the 60 percent, 90 percent and 100 percent design phases. A bid set will be prepared suitable for advertising for bids. Three separate design packages are anticipated: 1) West Hills WTP Expansion, 2) pipelines, and 3) ASR wells and well sites.

Deliverables:

- Basis of Design Report
- Geotechnical Report
- 100% Design Plans and Specifications

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Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Task 9: Stakeholder Outreach

Conduct a minimum of two public outreach efforts as critical project milestones, including distribution of the Draft CEQA documents. Develop meeting agenda, presentations, and handouts required for the outreach.

Deliverables:

- Public Meeting materials

Budget Category (d): Construction/Implementation

Task 10: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed

Task 11: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A full-time engineering construction observer will be on site for the duration of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 12: Construction

This Agreement will construct one of the three components, the transmission pipeline component, of the ADRP. The two remaining components will be implemented through another grant. Construction activities under this Agreement are outlined below.

12(a): Mobilization and site preparation will include bringing all the well equipment, appurtenances, pipes and valves, backfill, equipment, construction trailer office, and personnel to begin the construction of the

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conveyance and transmission pipelines along Fallon Road and San Felipe Road. The majority of pipeline is located in the existing public right of way.

12(b): Pipeline Installation will include installation of HDPE pipes ranging from 12 to 20 inch along Fallon Road and San Felipe Road. These pipelines connect the ASR wells, expand hydraulic capacity from WHWTP and connect the wellfield to Hollister's distribution system. This will include trench excavation, pipeline installation, trench fill with appropriate compaction and potentially trenchless crossing of Santa Ana Creek.

12(c): Once the pipeline construction is complete, the new pipes will be tied into the existing water system, flushed and tested in compliance with the operating permit conditions of the ADRP project. Demobilization will include removing all equipment, construction trailers, breaking down staging areas, and restoring the sites to original conditions or as specified in final designs, permits, and mitigation measures, as applicable.

Deliverables:

- Photographic Documentation of Progress

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PROJECT 2: College Lake Integrated Resources Management Project

IMPLEMENTING AGENCY: Pajaro Valley Water Management Agency

PROJECT DESCRIPTION: The project includes facilities to store, treat and deliver water from College Lake for agricultural irrigation in-lieu of pumping groundwater to help eliminate groundwater overdraft and halt seawater intrusion. The project includes 5 components: construction of an adjustable weir structure, intake pump station, water treatment plant (WTP), two (2) water wells, and a conveyance pipeline. The project will supply approximately 2,300 acre-feet per year of new water supply and will offset an equivalent amount of groundwater pumping from the over drafted basin, protecting against groundwater quality degradation from seawater intrusion.

Budget Category (a): Project Administration

Task 1: Project Management

Manage Grant Agreement including compliance with grant requirements, and preparation and submission of supporting grant documents. Prepare invoices including relevant supporting documentation for submittal to DWR via the Grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR.

Prepare Project Completion Report and submit to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Quarterly Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase

Obtain property easements needed to construct, operate, and maintain the pipeline component of the project.

Deliverables:

- Documentation supporting property value (if purchased)
- All relevant documentation regarding property ownership transfer or acquisition of easement including final recorded deed, title report, etc.

Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies

Not applicable.

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Deliverables: N/A

Task 5: CEQA Documentation

An Environmental Impact Report was published in April 2019 and certified by the Board of Directors on October 16, 2019. Subsequent to adoption of the EIR, the Project underwent further development and an EIR Addendum was published in July 2022.

This task includes the preparation of a letter stating no legal challenges.

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

The following permits have been acquired for the pipeline component of the College Lake Project:

- California Department of Transportation, County of Santa Cruz, and City of Watsonville Encroachment Permits

The following additional permits have been acquired for all components of the project:

- Water Right Permit
- Clean Water Act 404 Statewide Permit
- Section 1602 Lake & Streambed Alteration Agreement
- Minor Coastal Development Permit.

Deliverables:

- Permits as required

Task 7: Design

The College Lake Integrated Resources Management Project Feasibility Study and Preliminary Design have been completed, which include the basis of design and preliminary design analysis of the weir structure, intake pump station, water treatment plant and College Lake Pipeline. The report includes the preliminary design criteria of these four main project components. Pajaro Valley Water Management Agency has prepared final design of the pipeline component of the project. 100% design plans and specifications for the project will be prepared for inclusion in the Bid Documents.

Deliverables:

- College Lake Integrated Resources Management Project Feasibility Study and Preliminary Design
- 100% Design Plans and Specifications

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR’s review and approval.

Deliverables:

- Project Monitoring Plan

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Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

Deliverables:

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A full-time engineering construction observer will be on site for the duration of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/ updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

This Agreement will construct one of the five components, the College Lake Pipeline component, of the College Lake Integrated Resources Management Project. The four remaining components will be implemented through another grant. Construction activities under this Agreement are outlined below.

The College Lake Pipeline will convey treated water from the WTP to the coastal area via 6 miles of HDPE pipe with a diameter of 30 inches. The blend well segment will connect an existing supplemental well to the College Lake Pipeline and Coastal Distribution System via approximately 700 feet of HDPE pipe with a diameter of 10.75 inches. The College Lake Pipeline route generally follows existing road rights-of-way and traverses agricultural fields. Construction activities are outlined below.

11(a): Mobilization and Demobilization will include the mobilization of excavators, skip loaders, back hoes, and other equipment necessary for installation of the pipelines.

11(b): Staging and laydown for pipeline construction would occur primarily within the width of the construction corridor and along the pipeline route.

11(c): The construction method for installation of the pipelines depends on location. Conventional open-trench construction techniques would be used for installation of pipelines in existing roadways and agricultural fields. Crossings of several surface features (creeks and other drainages, railroads, and state highways) require trenchless construction.

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Deliverables:

- Photographic Documentation of Progress

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PROJECT 3: Stormwater Capture and Aquifer Recharge

IMPLEMENTING AGENCY: Santa Clara Valley Water District (Valley Water)

PROJECT DESCRIPTION: Valley Water, in collaboration with the Resource Conservation District of Santa Cruz County (RCDSCC), will construct one aquifer recharge basin to infiltrate 100 acre-feet per year of stormwater for increased groundwater supply and quality. This project will use the results of the recently completed transient electromagnetic (TEM) study and longstanding relationships between the RCDSCC and landowners and growers in the Pajaro Valley to support managed aquifer recharge (MAR) and the long-term viability of agriculture and groundwater resources in the Pajaro Valley.

Valley Water will improve and implement a decision support tool to identify similar stormwater MAR sites in Santa Clara County and take lessons learned from the RCDSCC stormwater MAR basin implementation to develop and implement a pilot stormwater MAR program at Valley Water. Decision support tool implementation includes refining a mapping tool to include source water information, determining how to use tool findings to select feasible MAR sites, and determining how to incentivize landowner participation in the program from those areas that the tool identifies as feasible.

Budget Category (a): Project Administration

Task 1: Project Management

Manage Grant Agreement including compliance with grant requirements, and preparation and submission of supporting grant documents and coordination with IRWM regional manager. Prepare invoices including relevant supporting documentation for submittal to DWR via the Grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to Grantee for submittal to DWR.

Prepare Project Completion Report and submit to Grantee for submittal to DWR no later than 90 days after project completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Quarterly Project Progress Reports
- Project Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Land Purchase/Easement

Task 3: Land Purchase

Not applicable.

Deliverables: N/A

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Budget Category (c): Planning/Design/Engineering/Environmental Documentation

Task 4: Feasibility Studies

Not applicable.

Deliverables: N/A

Task 5: CEQA Documentation

Complete environmental review pursuant to CEQA. Prepare all necessary environmental documentation. Prepare letter stating no legal challenges (or addressing legal challenges).

Deliverables:

- All completed CEQA documents as required
- Legal Challenges Letter

Task 6: Permitting

The following permits are anticipated to be acquired for the RCDSCC MAR site: Coastal development permit from the County of Santa Cruz; 1602 Streambed Alteration Agreement from the California Department of Fish and Wildlife; Clean Water Act Section 401 from the Central Coast Regional Water Quality Control Board; Clean Water Act Section 404 permit from the United States Army Corps of Engineers (USACE); Biological opinion from the United States Fish and Wildlife Service (USFWS); and a grading permit from the County of Santa Cruz will be required.

The Valley Water tool implementation will not require any permits.

Deliverables:

- Permits as required

Task 7: Design

Complete 100% designs, cost estimates and specifications in preparation for bid.

Deliverables:

- 100% Design Plans and Specifications

Task 8: Project Monitoring Plan

Develop and submit a Project Monitoring Plan per Paragraph 16 for DWR's review and approval.

Deliverables:

- Project Monitoring Plan

Budget Category (d): Construction/Implementation

Task 9: Contract Services

This task must comply with the Standard Condition D.11 – Competitive Bidding and Procurements. Activities necessary (as applicable) to secure a contractor and award the contract, including: develop bid documents, prepare advertisement and contract documents for construction contract bidding, conduct pre-bid meeting, bid opening and evaluation, selection of the contractor, award of contract, and issuance of notice to proceed.

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Deliverables:

- Bid Documents
- Proof of Advertisement
- Award of Contract
- Notice to Proceed

Task 10: Construction Administration

This task includes managing contractor submittal review, answering requests for information, and issuing work directives. A full-time engineering construction observer will be on site for the duration of the project. Construction observer duties include documenting of pre-construction conditions, daily construction diary, preparing change orders, addressing questions of contractors on site, reviewing/ updating project schedule, reviewing contractor log submittals and pay requests, forecasting cash flow, notifying contractor if work is not acceptable. Upon completing the project, the DWR Certificate of Project Completion and record drawings will be provided to DWR.

Deliverables:

- DWR Certificate of Project Completion
- Record Drawings

Task 11: Construction

Construction activities for the MAR basin are outlined below.

11(a): Mobilization and Demobilization Mobilization generally consists of preparatory work and operations, including, but not limited to, those necessary for the movement of personnel, equipment, supplies, and incidentals to the site; for the establishment of all offices and other facilities necessary for the project; and for all other work and operations which must be performed, or costs incurred, prior to beginning the work on the project, as well as all demobilization costs. This work will include the establishment of laydown areas, and storm water runoff Best Management Practices (BMPs), as well as demobilization to remove all unutilized materials and temporary office structures from the project site.

11(b): Site preparation will include clearing, grubbing, and grading

11(c): Construction work will include excavation of depressions to serve as infiltration basins. This will include construction of berms or levees to impound stormwater and tilling or other modification of basin floor to enhance infiltration. It will also include construction of any diversion or supply line to transmit stormwater to the basin. Work will include erosion control and revegetation of areas disturbed during construction.

11(d): Decision Support Tool: Valley Water will add surface runoff and flood flow modeling to the mapping tool to identify areas with adequate recharge characteristics and source water supply. This includes developing watershed hydrology and stream flow models for key hillslope areas and watersheds, inputting the surface runoff and flood flow modeling into the mapping tool, and identifying areas where source water overlaps with potential recharge areas.

Using the decision support tool, Valley Water will identify potential stormwater MAR basin locations. For at least one potential site, Valley Water will complete field investigations to conform depth to groundwater, permeability, and source water quality are sufficient for a stormwater MAR site.

The decision support tool will also provide Valley Water useful information about the types of stormwater MAR projects that may be feasible in Santa Clara County. This information is important when considering the program elements and costs Valley Water may need to include to have a successful stormwater MAR

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program. For example, the decision support tool will inform the work Valley Water conducts with internal and external stakeholders to develop an incentive program structure that meets the Santa Clara Valley Water District Act (https://www.valleywater.org/sites/default/files/District-act-as-amended-2018.pdf) and Proposition 26 (Article XIIIC of Cal. Constitution) requirements. The incentive program structure may consider costs for project implementation, site maintenance, and lost opportunity through committing the property to stormwater recharge. Work to develop the incentive structure will involve evaluating other incentive programs to determine if parts of their structure could work at Valley Water, working with legal experts to ensure the District Act and Proposition 26 requirements are followed, working with design engineers to understand cost ranges for MAR project implementation and maintenance, and collaborating with stakeholders to understand what incentives would be powerful enough to encourage participation. The goal is to develop an incentivization structure that attracts landowners and managers to participate and remain in the program for enough time for the project to be beneficial for water supply and have a good benefit-to-cost ratio.

Deliverables:

- Photographic Documentation of Progress
- Valley Water Stormwater MAR decision support tool
- Valley Water Incentive Program Structure

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EXHIBIT B

BUDGET

PROPOSITION 1 ROUND 2 PAJARO RIVER WATERSHED IRWM IMPLEMENTATION GRANT

AGREEMENT BUDGET SUMMARY

	PROJECTS	Grant Amount	Required Cost Share: Non-State Fund Source	Other Cost Share	Total Cost	Required Cost Share %
	Grant Administration	$275,427	$0	$0	$275,427	N/A
1	Project 1: Accelerated Drought Response Project	$1,800,000	$2,015,000	$0	$3,815,000	50%
2	Project 2: College Lake Integrated Resources Management Project	$1,800,000	$0	$28,715,000	$30,515,000	0%
3	Project 3: Stormwater Capture and Aquifer Recharge	$900,000	$200,000	$83,540	$1,183,540	12.5%
	GRAND TOTAL	**$4,775,427**	**$2,215,000**	**$28,798,540**	**$35,788,967**	

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Grant Administration

Implementing Agency: San Benito County Water District

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source	Other Cost Share	Total Cost
(a)	Project Administration	$275,427	$0	$0	**$275,427**
	TOTAL COSTS	**$275,427**	**$0**	**$0**	**$275,427**

PROJECT 1: Accelerated Drought Response Project (ADRP)

Implementing Agency: San Benito County Water District

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share	Total Cost
(a)	Project Administration	$0	$0	$0	$0
(b)	Land Purchase / Easement	$0	$0	$0	$0
(c)	Planning / Design / Engineering / Environmental Documentation	$1,300,000	$2,015,000	$0	$3,315,000
(d)	Construction / Implementation	$500,000**	$0	$0	$500,000
	TOTAL COSTS	**$1,800,000**	**$2,015,000**	**$0**	**$3,815,000**

NOTES:

*Required Cost Share fund source(s): San Benito County Water District Prop. 218

**These funds will be used to construct only the transmission pipeline component of the ADRP.

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PROJECT 2: College Lake Integrated Resources Management Project

Implementing Agency: Pajaro Valley Water Management Agency

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share**	Total Cost
(a)	Project Administration	$0	$0	$0	$0
(b)	Land Purchase / Easement	$0	$0	$315,000	$315,000
(c)	Planning / Design / Engineering / Environmental Documentation	$0	$0	$3,800,000	$3,800,000
(d)	Construction / Implementation	$1,800,000***	$0	$24,600,000	$26,400,000
	TOTAL COSTS	**$1,800,000**	**$0**	**$28,715,000**	**$30,515,000**

NOTES:

*The project received a 100% cost share waiver.

**Other Cost Share fund source(s): Sustainable Groundwater Management Act Implementation Grant and Pajaro Valley Water Management Agency funds.

***These funds will be used to construct only the College Lake Pipeline component of the College Lake Integrated Resources Management Project.

PROJECT 3: Stormwater Capture and Aquifer Recharge

Implementing Agency: Santa Clara Valley Water District

	BUDGET CATEGORY	Grant Amount	Required Cost Share: Non-State Fund Source*	Other Cost Share**	Total Cost
(a)	Project Administration	$37,500	$0	$0	$37,500
(b)	Land Purchase / Easement	$0	$0	$0	$0
(c)	Planning / Design / Engineering / Environmental Documentation	$352,960	$200,000	$83,540	$636,500
(d)	Construction / Implementation	$509,540	$0	$0	$509,540
	TOTAL COSTS	**$900,000**	**$200,000**	**$83,540**	**$1,183,540**

NOTES:

*The project received a 75% cost share waiver. Required Cost Share fund source(s): Santa Clara Valley Water's Board-approved annual budget for the water utility.

**Other Cost Share fund source(s): Department of Conservation Multibenefit Land Repurposing Grant

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EXHIBIT C

SCHEDULE

PROPOSITION 1 ROUND 2 PAJARO RIVER WATERSHED IRWM IMPLEMENTATION GRANT

Grant Administration

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	04/01/2023	06/30/2027

PROJECT 1: Accelerated Drought Response Project (ADRP)

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	01/01/2023	03/31/2027
b	Land Purchase / Easement	01/01/2023	12/31/2023
c	Planning / Design / Engineering / Environmental Documentation	01/01/2023	06/30/2024
d	Construction / Implementation	10/01/2024	12/31/2026

PROJECT 2: College Lake Integrated Resources Management Project

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	04/01/2023	03/31/2025
b	Land Purchase / Easement	01/01/2022	12/31/2023
c	Planning / Design / Engineering / Environmental Documentation	01/01/2022	06/30/2023*
d	Construction / Implementation	02/01/2023	12/31/2024

*There is an overlap between Budget Category c and d because preliminary construction activities located outside of the waterways are allowed to proceed while awaiting issuance of the Lake and Streambed Alteration Agreement.

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PROJECT 3: Stormwater Capture and Aquifer Recharge

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	04/01/2023	03/01/2026
b	Land Purchase / Easement	N/A	N/A
c	Planning / Design / Engineering / Environmental Documentation	04/01/2023	12/31/2025*
d	Construction / Implementation	04/01/2023	12/31/2025

*There is an overlap in budget category (c) and (d) because a portion of Valley Water's category's (c) activities (tool development and incentivization structure development) will overlap with construction activities in category (d).

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EXHIBIT D

STANDARD CONDITIONS

D.1. ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:

A. Separate Accounting of Funding Disbursements: Grantee shall account for the money disbursed pursuant to this Grant Agreement separately from all other Grantee funds. Grantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Grantee shall keep complete and accurate records of all receipts and disbursements on expenditures of such funds. Grantee shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by State at any and all reasonable times.

B. Disposition of Money Disbursed: All money disbursed pursuant to this Grant Agreement shall be deposited in a non-interest bearing account, administered, and accounted for pursuant to the provisions of applicable law.

C. Remittance of Unexpended Funds: Grantee shall remit to State any unexpended funds that were disbursed to Grantee under this Grant Agreement and were not used to pay Eligible Project Costs within a period of sixty (60) calendar days from the final disbursement from State to Grantee of funds or, within thirty (30) calendar days of the expiration of the Grant Agreement, whichever comes first.

D.2. ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE: Grantee shall include appropriate acknowledgement of credit to the State for its support when promoting the Project or using any data and/or information developed under this Grant Agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the Grantee's headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Water Quality, Supply, and Infrastructure Improvement Act of 2014 and through an agreement with the State Department of Water Resources." The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.

D.3. AMENDMENT: This Grant Agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Grantee for amendments must be in writing stating the amendment request and the reason for the request. Requests solely for a time extension must be submitted at least 90 days prior to the work completion date set forth in Paragraph 2. Any other request for an amendment must be submitted at least 180 days prior to the work completion date set forth in Paragraph 2. State shall have no obligation to agree to an amendment.

D.4. AMERICANS WITH DISABILITIES ACT: By signing this Grant Agreement, Grantee assures State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

D.5. AUDITS: State reserves the right to conduct an audit at any time between the execution of this Grant Agreement and the completion of the Project, with the costs of such audit borne by State. After completion of the Project, State may require Grantee to conduct a final audit to State's specifications, at Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and State may elect to pursue any remedies provided in Paragraph 12 or take any other action it deems necessary to protect its interests. The Grantee agrees it shall return any audit disallowances to the State.

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Pursuant to Government Code section 8546.7, the Grantee shall be subject to the examination and audit by the State for a period of three (3) years after final payment under this Grant Agreement with respect of all matters connected with this Grant Agreement, including but not limited to, the cost of administering this Grant Agreement. All records of Grantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after receipt of the final disbursement under this Agreement. If an audit reveals any impropriety, the Bureau of State Audits or the State Controller's Office may conduct a full audit of any or all of the Grantee's activities. Code, § 79708, subd. (b)

D.6. BUDGET CONTINGENCY: If the Budget Act of the current year covered under this Grant Agreement does not appropriate sufficient funds for this program, this Grant Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of State to make any payments under this Grant Agreement. In this event, State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Grant Agreement and Grantee shall not be obligated to perform any provisions of this Grant Agreement. Nothing in this Grant Agreement shall be construed to provide Grantee with a right of priority for payment over any other Grantee. If funding for any fiscal year after the current year covered by this Grant Agreement is reduced or deleted by the Budget Act, by Executive Order, or by order of the Department of Finance, the State shall have the option to either cancel this Grant Agreement with no liability occurring to State, or offer a Grant Agreement amendment to Grantee to reflect the reduced amount.

D.7. CALIFORNIA CONSERVATION CORPS: Grantee may use the services of the California Conservation Corps or other community conservation corps as defined in Public Resources Code section 14507.5.

D.8. CEQA: Activities funded under this Grant Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.) Any work that is subject to CEQA and funded under this Agreement shall not proceed until documents that satisfy the CEQA process are received by the State's Project Manager and the State has completed its CEQA compliance. Work funded under this Agreement that is subject to a CEQA document shall not proceed until and unless approved by the Department of Water Resources. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required. If CEQA compliance by the Grantee is not complete at the time the State signs this Agreement, once State has considered the environmental documents, it may decide to require changes, alterations, or other mitigation to the Project; or to not fund the Project. Should the State decide to not fund the Project, this Agreement shall be terminated in accordance with Paragraph 12, "Default Provisions."

D.9. CHILD SUPPORT COMPLIANCE ACT: The Grantee acknowledges in accordance with Public Contract Code section 7110, that:

A. The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Family Code section 5200 et seq.; and
B. The Grantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

D.10. CLAIMS DISPUTE: Any claim that the Grantee may have regarding performance of this Agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the DWR Project Representative, within thirty (30) days of the Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.

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D.11. COMPETITIVE BIDDING AND PROCUREMENTS: Grantee's contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by State under this Grant Agreement must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the Grantee does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting.

D.12. COMPUTER SOFTWARE: Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Grant Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.

D.13. CONFLICT OF INTEREST: All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code sections 10410 and 10411, for State conflict of interest requirements.

A. Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
B. Former State Employees: For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
C. Employees of the Grantee: Employees of the Grantee shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act. (Gov. Code, § 87100 et seq.)
D. Employees and Consultants to the Grantee: Individuals working on behalf of a Grantee may be required by the Department to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.

D.14. DELIVERY OF INFORMATION, REPORTS, AND DATA: Grantee agrees to expeditiously provide throughout the term of this Grant Agreement, such reports, data, information, and certifications as may be reasonably required by State.

D.15. DISPOSITION OF EQUIPMENT: Grantee shall provide to State, not less than thirty (30) calendar days prior to submission of the final invoice, an itemized inventory of equipment purchased with funds provided by State. The inventory shall include all items with a current estimated fair market value of more than $5,000.00 per item. Within sixty (60) calendar days of receipt of such inventory State shall provide Grantee with a list of the items on the inventory that State will take title to. All other items shall become the property of Grantee. State shall arrange for delivery from Grantee of items that it takes title to. Cost of transportation, if any, shall be borne by State.

D.16. DRUG-FREE WORKPLACE CERTIFICATION: Certification of Compliance: By signing this Grant Agreement, Grantee, its contractors or subcontractors hereby certify, under penalty of perjury under

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the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355.
B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:
   i. The dangers of drug abuse in the workplace,
   ii. Grantee's policy of maintaining a drug-free workplace,
   iii. Any available counseling, rehabilitation, and employee assistance programs, and
   iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
C. Provide, as required by Government Code section 8355, that every employee, contractor, and/or subcontractor who works under this Grant Agreement:
   i. Will receive a copy of Grantee's drug-free policy statement, and
   ii. Will agree to abide by terms of Grantee's condition of employment, contract or subcontract.

D.17. EASEMENTS: Where the Grantee acquires property in fee title or funds improvements to real property using State funds provided through this Grant Agreement, an appropriate easement or other title restriction providing for floodplain preservation and agricultural and/or wildlife habitat conservation for the subject property in perpetuity, approved by the State, shall be conveyed to a regulatory or trustee agency or conservation group acceptable to the State. The easement or other title restriction must be in first position ahead of any recorded mortgage or lien on the property unless this requirement is waived by the State.
Where the Grantee acquires an easement under this Agreement, the Grantee agrees to monitor and enforce the terms of the easement, unless the easement is subsequently transferred to another land management or conservation organization or entity with State permission, at which time monitoring and enforcement responsibilities will transfer to the new easement owner.
Failure to provide an easement or other title restriction acceptable to the State may result in termination of this Agreement.

D.18. FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED PROFESSIONAL: Upon completion of the Project, Grantee shall provide for a final inspection and certification by a California Registered Professional (i.e., Professional Civil Engineer, Engineering Geologist), that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Grant Agreement.

D.19. GRANTEE'S RESPONSIBILITIES: Grantee and its representatives shall:

A. Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A and in accordance with Exhibits B and C.
B. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Grantee in the application, documents, amendments, and communications filed in support of its request for funding.
C. Comply with all applicable California, federal, and local laws and regulations.
D. Implement the Project in accordance with applicable provisions of the law.
E. Fulfill its obligations under the Grant Agreement and be responsible for the performance of the Project.
F. Obtain any and all permits, licenses, and approvals required for performing any work under this Grant Agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. Grantee shall provide copies of permits and approvals to State.

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G. Be solely responsible for design, construction, and operation and maintenance of projects within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of funds by State and shall not be deemed to relieve or restrict responsibilities of Grantee under this Agreement.
H. Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Grantee shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to payment disputes with contractors and subcontractors. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work.

D.20. GOVERNING LAW: This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

D.21. INCOME RESTRICTIONS: The Grantee agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Grantee under this Agreement shall be paid by the Grantee to the State, to the extent that they are properly allocable to costs for which the Grantee has been reimbursed by the State under this Agreement. The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.

D.22. INDEMNIFICATION: Grantee shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project and this Agreement, including, but not limited to any claims or damages arising from planning, design, construction, maintenance and/or operation of levee rehabilitation measures for this Project and any breach of this Agreement. Grantee shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.

D.23. INDEPENDENT CAPACITY: Grantee, and the agents and employees of Grantees, in the performance of the Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.

D.24. INSPECTION OF BOOKS, RECORDS, AND REPORTS: During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Grant Agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Grant Agreement. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and State may withhold disbursements to Grantee or take any other action it deems necessary to protect its interests.

D.25. INSPECTIONS OF PROJECT BY STATE: State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Grant Agreement. This right shall extend to any subcontracts, and Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Grant Agreement with State.

D.26. LABOR CODE COMPLIANCE: The Grantee agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. Current Department of Industrial Relations (DIR) requirements may be found at: http://www.dir.ca.gov/ lcp.asp. For more information, please refer to DIR's *Public Works Manual* at: https://www.dir.ca.gov/ dlse/PWManualCombined.pdf. The Grantee affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers'

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compensation or to undertake self-insurance, and the Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.

D.27. MODIFICATION OF OVERALL WORK PLAN: At the request of the Grantee, the State may at its sole discretion approve non-material changes to the portions of Exhibits A, B, and C which concern the budget and schedule without formally amending this Grant Agreement. Non-material changes with respect to the budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the State Grant Agreement. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Grant Agreement. Requests for non-material changes to the budget and schedule must be submitted by the Grantee to the State in writing and are not effective unless and until specifically approved by the State's Program Manager in writing.

D.28. NONDISCRIMINATION: During the performance of this Grant Agreement, Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, gender identity, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital/domestic partner status, and denial of medical and family care leave or pregnancy disability leave. Grantee and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its contractors or subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing are incorporated into this Agreement by reference. Grantee and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.
Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Grant Agreement.

D.29. OPINIONS AND DETERMINATIONS: Where the terms of this Grant Agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.

D.30. PERFORMANCE BOND: Where contractors are used, the Grantee shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Grantee in the following amounts: faithful performance (100%) of contract value, and labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than $25,000.00. Any bond issued pursuant to this paragraph must be issued by a California-admitted surety. (Pub. Contract Code, § 7103; Code Civ. Proc., § 995.311.)

D.31. PRIORITY HIRING CONSIDERATIONS: If this Grant Agreement includes services in excess of $200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the Grant Agreement to qualified recipients of aid under Welfare and Institutions Code section 11200 in accordance with Public Contract Code section 10353.

D.32. PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION: The Grantee shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project, or with Grantee's service of water, without prior permission of State. Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Grantee meet its obligations under this

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Grant Agreement, without prior written permission of State. State may require that the proceeds from the disposition of any real or personal property be remitted to State.

D.33. PROJECT ACCESS: The Grantee shall ensure that the State, the Governor of the State, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of this Agreement.

D.34. REMAINING BALANCE: In the event the Grantee does not submit invoices requesting all of the funds encumbered under this Grant Agreement, any remaining funds revert to the State. The State will notify the Grantee stating that the Project file is closed and any remaining balance will be disencumbered and unavailable for further use under this Grant Agreement.

D.35. REMEDIES NOT EXCLUSIVE: The use by either party of any remedy specified herein for the enforcement of this Grant Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.

D.36. RETENTION: The State shall withhold ten percent (10%) of the funds, for each project, until the project is complete, and a Final Project Report is approved and accepted by DWR. If a project has multiple components (within a project), at the State's discretion and upon a written request by the Grantee, any retained amount attributable to a single component may be released when that component is complete and the Final Component Completion Report is approved. Upon approval of the Final Project Report and/or Final Component Completion Report, any retained amounts due to the Grantee will be promptly disbursed to the Grantee, without interest.

D.37. RIGHTS IN DATA: Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Grant Agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act. (Gov. Code, § 6250 et seq.) Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Grant Agreement, subject to appropriate acknowledgement of credit to State for financial support. Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.

D.38. SEVERABILITY: Should any portion of this Grant Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Grant Agreement shall continue as modified.

D.39. SUSPENSION OF PAYMENTS: This Grant Agreement may be subject to suspension of payments or termination, or both if the State determines that:

A. Grantee, its contractors, or subcontractors have made a false certification, or
B. Grantee, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Grant Agreement.

D.40. SUCCESSORS AND ASSIGNS: This Grant Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Grant Agreement or any part thereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.

D.41. TERMINATION BY GRANTEE: Subject to State approval which may be reasonably withheld, Grantee may terminate this Agreement and be relieved of contractual obligations. In doing so, Grantee must provide a reason(s) for termination. Grantee must submit all progress reports summarizing accomplishments up until termination date.

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D.42. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 12, "Default Provisions," the State may terminate this Grant Agreement and be relieved of any payments should Grantee fail to perform the requirements of this Grant Agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 12, "Default Provisions."

D.43. TERMINATION WITHOUT CAUSE: The State may terminate this Agreement without cause on 30 days' advance written notice. The Grantee shall be reimbursed for all reasonable expenses incurred up to the date of termination.

D.44. THIRD PARTY BENEFICIARIES: The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.

D.45. TIMELINESS: Time is of the essence in this Grant Agreement.

D.46. TRAVEL – DAC, EDA, TRIBES PROJECT: Travel is only an eligible reimbursable expense for projects providing at least 75% of benefits to DACs, EDAs, and/or Tribes (based on population or geographic area). Only ground transportation and lodging are eligible for grant reimbursement. Per diem costs will not be eligible for grant reimbursement. Any reimbursement for necessary travel shall be at rates not to exceed those set by the California Department of Human Resources. These rates may be found at: http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx. Reimbursement will be at the State travel amounts that are current as of the date costs are incurred. No travel outside of the IRWM region shall be reimbursed unless prior written authorization is obtained from the State.

D.47. UNION ORGANIZING: Grantee, by signing this Grant Agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Grant Agreement. Furthermore, Grantee, by signing this Grant Agreement, hereby certifies that:

A. No State funds disbursed by this Grant Agreement will be used to assist, promote, or deter union organizing.
B. Grantee shall account for State funds disbursed for a specific expenditure by this Grant Agreement to show those funds were allocated to that expenditure.
C. Grantee shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.
D. If Grantee makes expenditures to assist, promote, or deter union organizing, Grantee will maintain records sufficient to show that no State funds were used for those expenditures and that Grantee shall provide those records to the Attorney General upon request.

D.48. VENUE: The State and the Grantee hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Agreement.

D.49. WAIVER OF RIGHTS: None of the provisions of this Grant Agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Grant Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Grant Agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.

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EXHIBIT E

AUTHORIZING RESOLUTION

RESOLUTION NO. 2023-21

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN BENITO COUNTY WATER DISTRICT AUTHORIZING AN APPLICATION BE MADE TO THE CALIFORNIA DEPARTMENT OF WATER RESOURCES FOR AN INTEGRATED REGIONAL WATER MANAGEMENT GRANT PURSUANT TO THE WATER QUALITY, SUPPLY, AND INFRASTRUCTURE IMPROVEMENT ACT OF 2014 (WATER CODE SECTION 79700 et seq.), ENTER INTO AN AGREEMENT AND GRANTING GENERAL MANAGER AUTHORIZATION TO EXECUTE DOCUMENTS IN RELATION THERETO

WHEREAS, the Department of Water Resources is soliciting proposals for funding from the Proposition 1 – Round 2 Integrated Regional Water Management (IRWM) Implementation Grant Program;

WHEREAS, the Department of Water Resources requires that each IRWM region submit only one application that includes all high priority water resource projects in the region;

WHEREAS, the Pajaro River Watershed IRWM Regional Water Management Group (RWMG) authorized the San Benito County Water District (District) to act as the applicant and the grant manager for the Round 2 IRWM Implementation Grant;

WHEREAS, the District is seeking funding for the implementation phases of the Accelerated Drought Response Project, the College Lake Integrated Resources Management Project, the Stormwater Capture and Aquifer Recharge and the IRWM Implementation Grant Administration;

BE IT RESOLVED AS FOLLOWS:

The Board of Directors of the San Benito County Water District hereby authorizes a proposal be made to the California Department of Water Resources to obtain a Round 2 Integrated Regional Water Management Implementation Grant pursuant to the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Water Code Section 79700 et seq.), and to enter into an agreement to receive a grant for the Pajaro River Watershed IRWM Implementation Grant Proposal.

The General Manager of the San Benito County Water District, or designee, is hereby authorized and directed to prepare the necessary data, conduct investigations, file such proposal, and execute a grant agreement or any amendments thereto with the California Department of Water Resources.

PASSED AND ADOPTED by the Board of Directors of the San Benito County Water District this 4th Day of October, 2023 by the following vote:

AYES: DIRECTORS: Flores, Shelton, Tonascia, Williams & Wright
NOES: DIRECTORS: None
ABSTAIN: DIRECTORS: None
ABSENT: DIRECTORS: None

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(Signature of presiding Board member
Attested by Board Secretary
Resolution #2023-21)

Sonny Flores
President

ATTEST:

Barbara L. Mauro
Board Secretary

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EXHIBIT F

REPORT FORMATS AND REQUIREMENTS

The following reporting formats should be utilized. Please obtain State approval prior to submitting a report in an alternative format.

PROGRESS REPORTS

Progress reports shall generally use the following format. This format may be modified as necessary to effectively communicate information. For each project, discuss the following at the task level, as organized in Exhibit A:

- Percent complete (by work)
- Discussion of work accomplished during the reporting period.
- Milestones or deliverables completed/submitted during the reporting period.
- Meetings held or attended.
- Scheduling concerns and issues encountered that may delay completion of the task.

For each project, discuss the following at the project level, as organized in Exhibit A:

- Work anticipated for the next reporting period.
- Photo documentation, as appropriate.
- Budget projections for grant share for the next two quarters
- Any schedule or budget modifications approved by DWR during the reporting period.

PROJECT COMPLETION REPORT

The Project Completion Report (or a Component Completion Report, if a Project has multiple Components) shall generally use the following format provided below for each project after completion.

Executive Summary

The Executive Summary should include a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the original Grant application.
- List any official amendments to this Grant Agreement, with a short description of the amendment.

Reports and/or Products

The following items should be provided, unless already submitted as a deliverable:

- A copy of any final technical report or study, produced for or utilized in this Project as described in the Exhibit A
- Electronic copies of any data collected, not previously submitted
- Discussion of problems that occurred during the work and how those problems were resolved
- Final project schedule showing actual progress versus planned progress as shown in Exhibit C

Additional information that may be applicable for implementation projects includes the following:

- Record drawings
- Final geodetic survey information
- Project photos

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Cost & Disposition of Funds

A list showing:

- Summary of Project costs including the following items:
  - Accounting of the cost of project expenditure;
  - Include all internal and external costs not previously disclosed (i.e., additional cost share); and
  - A discussion of factors that positively or negatively affected the project cost and any deviation from the original Project cost estimate.

Additional Information

- Benefits derived from the Project, with quantification of such benefits provided.
- If applicable, Certification from a California Registered Professional (Civil Engineer or Geologist, as appropriate), consistent with Exhibit D, that the project was conducted in accordance with the approved Work Plan in Exhibit A and any approved amendments thereto.
- Submittal schedule for the Post-Performance Report.

GRANT COMPLETION REPORT

The Grant Completion Report shall generally use the following format. This format may be modified as necessary to effectively communicate information on the various projects funded by this Grant Agreement, and includes the following:

- Executive Summary: consisting of a maximum of ten (10) pages summarizing information for the grant as well as the individual projects.
- Brief discussion of: each project completed and how they achieved IRWM Plan objectives and/or Regional goals and whether the level, type, or magnitude of benefits of the project are comparable to the original project proposal; any remaining work to be completed and mechanism for their implementation; the benefits to DAC and/or EDA as part of this Grant Agreement if a DAC or EDA Cost Share Waiver was approved for a project; and a summary of final funds disbursement for each project.

Additional Information: Summary of the submittal schedule for the Post-Performance Reports applicable for the projects in this Grant Agreement.

POST-PERFORMANCE REPORT

The Post-Performance Report (PPR) should be concise and focus on how each project is performing compared to its expected performance; whether the project is being operated and maintained and providing intended benefits as proposed. A PPR template may be provided by the assigned DWR Grant Manager upon request. The PPR should follow the general format of the template and provide requested information as applicable. The following information, at a minimum, shall be provided:

Reports and/or products

- Header including the following:
  - Grantee Name
  - Implementing Agency (if different from Grantee)
  - Grant Agreement Number
  - Project Name
  - Funding grant source (i.e., 2022 Proposition 1 IRWM Implementation Grant)
  - Report number

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- Post-Performance Report schedule
- Time period of the annual report (e.g., January 2024 through December 2024)
- Project Description Summary
- Discussion of the project benefits
- An assessment of any differences between the expected versus actual project benefits as stated in the original application. Where applicable, the reporting should include quantitative metrics (e.g., new acre-feet of water produced that year, etc.).
- Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable.
- Any additional information relevant to or generated by the continued operation of the project.

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EXHIBIT G

REQUIREMENTS FOR DATA SUBMITTAL

Surface and Groundwater Quality Data:

Groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State as described below, with a narrative description of data submittal activities included in project reports.

Surface water quality monitoring data shall be prepared for submission to the California Environmental Data Exchange Network (CEDEN). The CEDEN data templates are available on the CEDEN website. Inclusion of additional data elements described on the data templates is desirable. Data ready for submission should be uploaded to your CEDEN Regional Data Center via the CEDEN website. CEDEN website: http://www.ceden.org.

If a project's Work Plan contains a groundwater ambient monitoring element, groundwater quality monitoring data shall be submitted to the State for inclusion in the State Water Resources Control Board's Groundwater Ambient Monitoring and Assessment (GAMA) Program Information on the GAMA Program can be obtained at: https://www.waterboards.ca.gov/water_issues/programs/gama/. If further information is required, the Grantee can contact the State Water Resources Control Board (SWRCB) GAMA Program. A listing of SWRCB staff involved in the GAMA program can be found at: https://www.waterboards.ca.gov/water_issues/programs/gama/contact.shtml.

Groundwater Level Data

For each project that collects groundwater level data, the Grantee will need to submit this data to DWR's Water Data Library (WDL), with a narrative description of data submittal activities included in project reports, as described in Exhibit F, "Report Formats and Requirements." Information regarding the WDL and in what format to submit data in can be found at: http://www.water.ca.gov/waterdatalibrary/.

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EXHIBIT H

STATE AUDIT DOCUMENT REQUIREMENTS AND COST SHARE GUIDELINES FOR THE GRANTEE

The following provides a list of documents typically required by State Auditors and general guidelines for the Grantee. List of documents pertains to both State funding and the Grantee's Local Cost Share and details the documents/records that State Auditors would need to review in the event of this Grant Agreement is audited. The Grantee should ensure that such records are maintained for each funded project.

State Audit Document Requirements

Internal Controls

1. Organization chart (e.g., Agency's overall organization chart and organization chart for the State funded Program/Project).
2. Written internal procedures and flowcharts for the following:
   a) Receipts and deposits
   b) Disbursements
   c) State reimbursement requests
   d) Expenditure tracking of State funds
   e) Guidelines, policy, and procedures on State funded Program/Project
3. Audit reports of the Agency internal control structure and/or financial statements within the last two years.
4. Prior audit reports on the State funded Program/Project.

State Funding:

1. Original Grant Agreement, any amendment(s) and budget modification documents.
2. A listing of all bond-funded grants, loans, or subventions received from the State.
3. A listing of all other funding sources for each Program/Project.

Contracts:

1. All subcontractor and consultant contracts and related or partners' documents, if applicable.
2. Contracts between the Agency and member agencies as related to the State funded Program/Project.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under the Grant Agreement.
2. Documentation linking subcontractor invoices to State reimbursement, requests and related Grant Agreement budget line items.
3. Reimbursement requests submitted to the State for the Grant Agreement.

Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State.
2. Deposit slips (or bank statements) showing deposit of the payments received from the State.
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the grants or loans.
4. Bank statements showing the deposit of the receipts.

Accounting Records:

1. Ledgers showing entries for funding receipts and cash disbursements.
2. Ledgers showing receipts and cash disbursement entries of other funding sources.
3. Bridging documents that tie the general ledger to requests for Grant Agreement reimbursement.

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

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Personnel:

1. List of all contractors and Agency staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Agency personnel who provided services charged to the program

Project Files:

1. All supporting documentation maintained in the project files.
2. All Grant Agreement related correspondence.

Cost Share Guidelines

Cost Share consists of non-State funds, including in-kind services. In-kind services are defined as work performed (i.e., dollar value of non-cash contributions) by the Grantee (and potentially other parties) directly related to the execution of the funded project. Examples include volunteer services, equipment use, and use of facilities. The cost of in-kind service can be counted as cost share in-lieu of actual funds (or revenue) provided by the Grantee. Other cost share and in-kind service eligibility conditions may apply. Provided below is guidance for documenting cost share with and without in-kind services.

1. Although tracked separately, in-kind services shall be documented and, to the extent feasible, supported by the same methods used by the Grantee for its own employees. Such documentation should include the following:
    a. Detailed description of the contributed item(s) or service(s)
    b. Purpose for which the contribution was made (tied to project work plan)
    c. Name of contributing organization and date of contribution
    d. Real or approximate value of contribution. Who valued the contribution and how was the value determined? (e.g., actual, appraisal, fair market, etc.). Justification of rate. (See item #2, below)
    e. Person's name and the function of the contributing person
    f. Number of hours contributed
    g. If multiple sources exist, these should be summarized on a table with summed charges
    h. Source of contribution if it was provided by, obtained with, or supported by government funds
2. Rates for volunteer or in-kind services shall be consistent with those paid for similar work in the Grantee's organization. For example, volunteer service of clearing vegetation performed by an attorney shall be valued at fair market value for this service, not the rate for professional legal services. In those instances, in which the required skills are not found in the recipient organization, rates shall be consistent with those paid for similar work in the labor market. Paid fringe benefits that are reasonable, allowable, and allocable may be included in the valuation.
3. Cost share contribution (including in-kind services) shall be for costs and services directly attributed to activities included in the Grant Agreement. These services, furnished by professional and technical personnel, consultants, and other skilled labor may be counted as in-kind if the activities are an integral and necessary part of the project funded by the Grant Agreement.
4. Cash contributions made to a project shall be documented as revenue and in-kind services as expenditures. These costs should be tracked separately in the Grantee's accounting system.

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EXHIBIT I

LOCAL PROJECT SPONSORS AND PROJECT LOCATIONS

The Grantee has assigned, for each project, a Local Project Sponsor (LPS) according to the roles of the participating agencies identified in the IRWM Plan. LPSs may act on behalf of the Grantee for the purposes of individual project management, oversight, compliance, and operations and maintenance. LPSs are identified for each sponsored Project below:

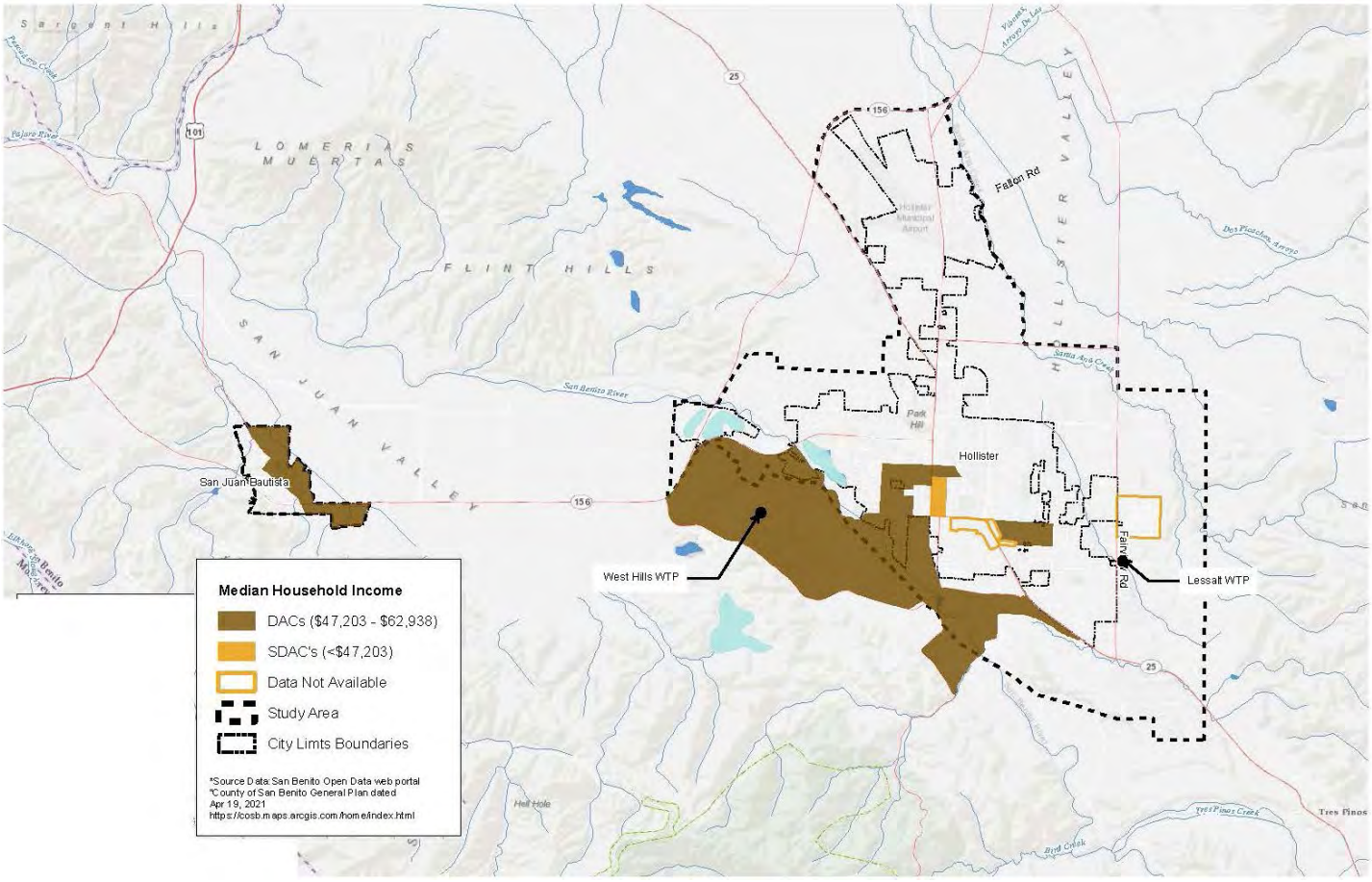
Local Project Sponsor Agency Designation

Sponsored Project: Project 1: Accelerated Drought Response Project

Sponsor Agency: San Benito County Water District

Agency Address: 30 Mansfield Road, Hollister, California 95024

Project Location: Hollister, California (36.5332, -121.2318)



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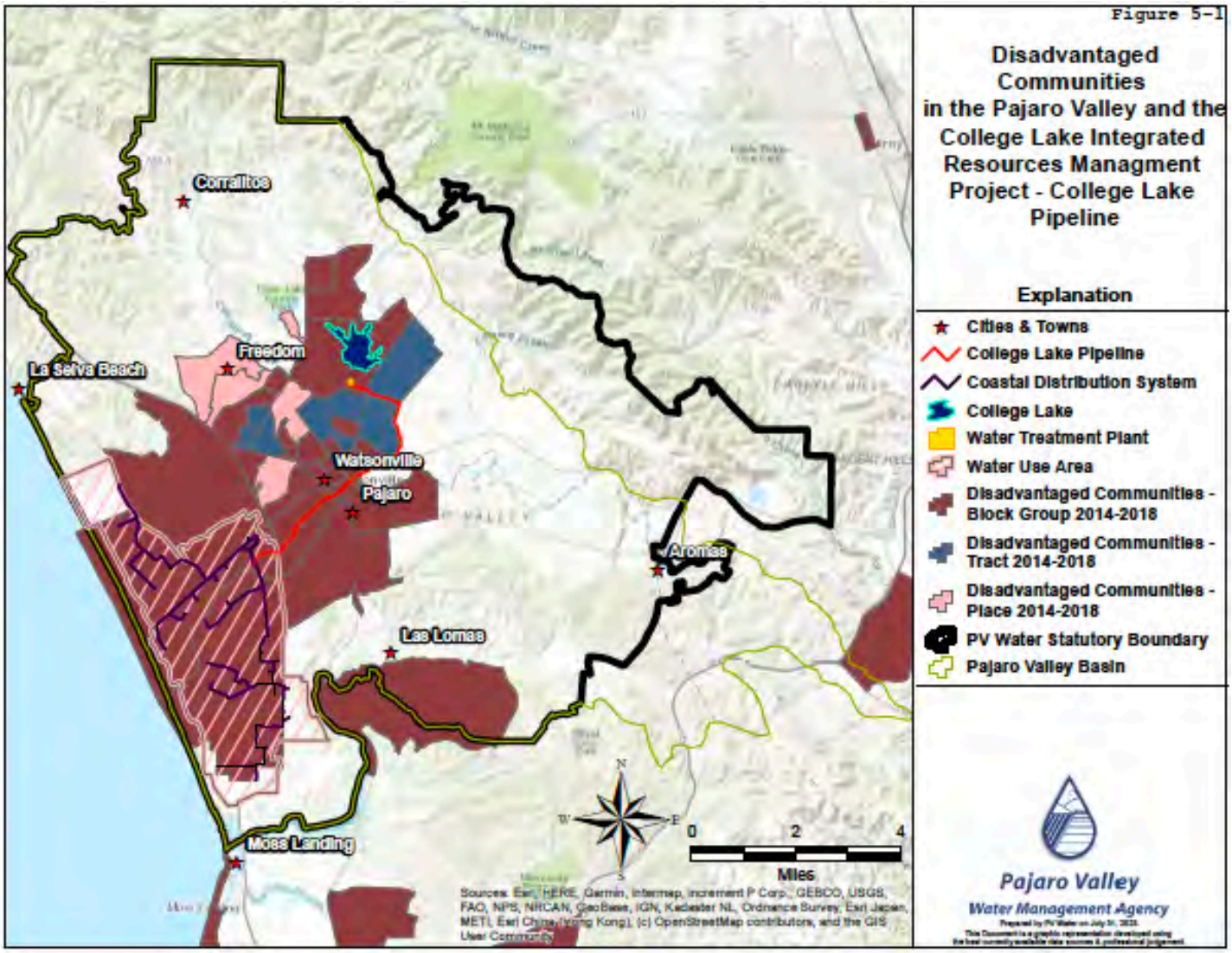
Local Project Sponsor Agency Designation

Sponsored Project: Project 2: College Lake Integrated Resources Management Project

Sponsor Agency: Pajaro Valley Water Management Agency

Agency Address: 36 Brennan Street, Watsonville, California 95076

Project Location: Watsonville, California (36.5313, -121.4809)



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Sponsored Project: Project 3: Stormwater Capture and Aquifer Recharge

Sponsor Agency: Santa Clara Valley Water District

Agency Address: 5700 Almaden Expressway, San Jose, California, 95118

Project Location: Watsonville, California (36.552006, -121.443884)

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EXHIBIT J

APPRAISAL SPECIFICATIONS

For implementation projects that include Land Acquisition Only:

For property acquisitions funded by this Grant Agreement, the Grantee shall submit an appraisal for review and approval by the Department of General Services or DWR's Real Estate Branch prior to reimbursement or depositing State funds into an escrow account. This information should be submitted at least 90 days prior to a reimbursement request to account for review time. All appraisal reports, regardless of report format, shall include all applicable Appraisal Specifications below. Appraisals for a total compensation of $150,000 or more shall be reported as a Self-Contained Appraisal Report. Appraisals for a total compensation of less than $150,000 may be reported as a Summary Appraisal Report, which includes all information necessary to arrive at the appraiser's conclusion. Appraisal Specifications 14, 16, 21, 23-25, and 28 shall be a narrative analysis regardless of the reporting format.

1. Title page with sufficient identification of appraisal assignment.
2. Letter of transmittal summarizing important assumptions and conclusions, value estimate, date of value and date of report.
3. Table of contents.
4. Assumptions and Limiting Conditions, Extraordinary Assumptions, and Hypothetical Conditions as needed.
5. Description of the scope of work, including the extent of data collection and limitations, if any, in obtaining relevant data.
6. Definition of Fair Market Value, as defined by California Code of Civil Procedure, § 1263.320.
7. Photographs of subject property and comparable data, including significant physical features and the interior of structural improvements, if applicable.
8. Copies of Tax Assessor's plat map with the subject marked along with all contiguous assessor's parcels that depict the ownership.
9. A legal description of the subject property, if available.
10. For large, remote or inaccessible parcels, provide aerial photographs or topographical maps depicting the subject boundaries.
11. Three (3) year subject property history, including sales, listings, leases, options, zoning, applications for permits, or other documents or facts that might indicate or affect use or value.
12. Discussion of any current Agreement of Sale, option, or listing of subject property. This issue required increased diligence since state agencies often utilize non-profit organizations to quickly acquire sensitive habitat parcels using Option Agreements. However, due to confidentiality clauses, the terms of the Option are often not disclosed to the State. If the appraiser discovers evidence of an Option or the possible existence of an Option, and the terms cannot be disclosed due to a confidentiality clause, then the appraiser is to cease work and contact the client.
13. Regional, area, and neighborhood analyses. This information may be presented in a summary format.
14. Market conditions and trends including identification of the relevant market area, a discussion of supply and demand within the relevant market area, and a discussion of the relevant market factors impacting demand for site acquisition and leasing within the relevant market area. This information may be presented in a summary format.

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15. Discussion of subject land/site characteristics (size, topography, current use, elevations, zoning and land use issues, development entitlements, General Plan designation, utilities, offsite improvements, access, land features such as levees and creeks, offsite improvements, easements and encumbrances, covenants, conditions and restrictions, flood and earthquake information, toxic hazards, water rights, mineral rights, toxic hazards, taxes and assessments, etc.).

16. Description of subject improvements including all structures, square footage, physical age, type of construction, quality of construction, condition of improvements and/or identification of any permanent plantings. Discussion of construction cost methodology, costs included and excluded, accrued depreciation from all causes, remaining economic life, items of deferred maintenance and cost to cure, and incurable items. Construction cost data shall include cost data source, date of estimate or date of publication of cost manual, section and page reference of cost manual, copies of cost estimate if provided from another source, replacement or reproduction cost method used, and supporting calculations including worksheets or spreadsheets.

17. Subject property leasing and operating cost history, including all items of income and expense.

18. Analysis and conclusion of the larger parcel for partial taking appraisals. For partial taking appraisals, Appraisal Specifications generally apply to the larger parcel rather than an ownership where the larger parcel is not the entire ownership.

19. Include a copy of a recent preliminary title report (within the past year) as an appraisal exhibit. Discuss the title exceptions and analyze the effect of title exceptions on fair market value.

20. For appraisals of partial takings or easements, a detailed description of the taking or easement area including surface features and topography, easements, encumbrances or improvements including levees within the subject partial take or easement, and whether the take area is characteristic of the larger parcel. Any characteristics of the taking area, including existing pre-project levees that render the take area different from the larger parcel shall be addressed in the valuation.

21. Opinion of highest and best use for the subject property, based on an in-depth analysis supporting the concluded use which includes the detail required by the complexity of the analysis. Such support typically requires a discussion of the four criteria of tests utilized to determine the highest and best use of a property. If alternative feasible uses exist, explain and support market, development, cash flow, and risk factors leading to an ultimate highest and best use decision.

22. All approaches to market value applicable to the property type and in the subject market. Explain and support the exclusion of any usual approaches to value.

23. Map(s) showing all comparable properties in relation to the subject property.

24. Photographs and plat maps of comparable properties.

25. In-depth discussion of comparable properties, similarities and differences compared to the subject property, adjustments to the comparable data, and discussion of the reliability and credibility of the data as it relates to the indicated subject property value. Improved comparable sales which are used to compare to vacant land subject properties shall include an allocation between land and improvements, using methodology similar to methodology used in item 16 above to estimate improvement value when possible, with an explanation of the methodology used.

26. Comparable data sheets.

    a. For sales, include information on grantor/Grantee, sale/recordation dates, listed or asking price as of the date of sale, highest and best use, financing, conditions of sale, buyer motivation, sufficient location information (street address, post mile, and/or distance from local landmarks such as bridges, road intersections, structures, etc.), land/site characteristics, improvements, source of any allocation of sale price between land and improvements, and confirming source.

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b. For listings, also include marketing time from list date to effective date of the appraisal, original list price, changes in list price, broker feedback, if available.

c. For leases, include significant information such as lessor/lessee, lease date and term, type of lease, rent and escalation, expenses, size of space leased, tenant improvement allowance, concessions, use restrictions, options, and confirming source. When comparing improved sales to a vacant land subject, the contributory value of the improvements shall be segregated from the land value.

27. For appraisals of easements, a before and after analysis of the burden of the easement on the fee, with attention to how the easement affects highest and best use in the after condition. An Easement Valuation Matrix or generalized easement valuation references may be used ONLY as a reference for a secondary basis of value.

28. For partial taking and easement appraisals, valuation of the remainder in the after condition and analysis and identification of any change in highest and best use or other characteristics in the after condition, to establish severance damages to the remainder in the after condition, and a discussion of special and general benefits, and cost to cure damages or construction contract work.

29. There are occasions where properties involve water rights, minerals, or salable timber that require separate valuations. If an appraisal assignment includes water rights, minerals, or merchantable timber that requires separate valuation, the valuation of the water rights, minerals, or merchantable timber shall be completed by a credentialed subject matter specialist.

30. For partial taking and easement appraisals, presentation of the valuation in California partial taking acquisition required format.

31. Implied dedication statement.

32. Reconciliation and final value estimate. Include analysis and comparison of the comparable sales to the subject, and explain and support conclusions reached.

33. Discussion of any departures taken in the development of the appraisal.

34. Signed Certification consistent with the language found in Uniform Standards of Professional Appraisal Practice.

35. If applicable, in addition to the above, appraisals of telecommunication sites shall also provide:

    a. A discussion of market conditions and trends including identification of the relevant market, a discussion of supply and demand within the relevant market area and a discussion of the relevant market factors impacting demand for site acquisition and leasing within the relevant market area.

    b. An analysis of other leases comparable to subject property. Factors to be discussed in the analysis include the latitude, longitude, type of tower, tower height, number of rack spaces, number of racks occupied, placement of racks, power source and adequacy, back-up power, vault and site improvements description and location on site, other utilities; access, and road maintenance costs.

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EXHIBIT K

INFORMATION NEEDED FOR ESCROW PROCESSING AND CLOSURE

For implementation projects that include Land Acquisition Only:

The Grantee shall provide the following documents to the State Project Representative during the escrow process. Property acquisition escrow documents shall be submitted within the term of this Grant Agreement and after a qualified appraisal has been approved.

- Name and Address of Title Company Handling the Escrow
- Escrow Number
- Name of Escrow Officer
- Escrow Officer's Phone Number
- Dollar Amount Needed to Close Escrow
- Legal Description of Property Being Acquired
- Assessor's Parcel Number(s) of Property Being Acquired
- Copy of Title Insurance Report
- Entity Taking Title as Named Insured on Title Insurance Policy
- Copy of Escrow Instructions in Draft Form Prior to Recording for Review Purposes
- Copy of Final Escrow Instructions
- Verification that all Encumbrances (i.e., Liens, Back Taxes, and Similar Obligations) have been Cleared Prior to Recording the Deed to Transfer Title
- Copy of Deed for Review Purposes Prior to Recording
- Copy of Deed as Recorded in County Recorder's Office
- Copy of Escrow Closure Notice

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EXHIBIT L

PROJECT MONITORING PLAN GUIDANCE

Introduction

For each project contained in Exhibit A, please include a brief description of the project (maximum ~150 words) including project location, implementation elements, need for the project (what problem will the project address) and responds to the requirements listed below.

Project Monitoring Plan Requirements

The Project Monitoring Plan shall contain responses to the following questions:

- What are the anticipated project physical benefits?
- What are the corresponding numeric targets for each project benefit?
- How will proposed numeric targets be measured?
- What are baseline conditions?
- When will the targets be met (e.g., upon project completion, five years after completion)?
- How often will monitoring be undertaken (e.g., monthly, yearly).
- Where are monitoring point locations (e.g., meter located at…, at stream mile…)? Include relevant maps.
- How will the project be maintained (e.g., irrigation, pest management, weed abatement)?
- What will be the frequency and duration of maintenance proposed activities?
- Are there any special environmental considerations (e.g., resource agency requirements, permit requirements, CEQA/NEPA mitigation measures)?
- Who is responsible for collecting the samples (i.e., who is conducting monitoring and/or maintenance)?
- How, and to whom, will monitoring results be reported (e.g., paper reports, online databases, public meetings)?
- What adaptive management strategies will be employed if problems are encountered during routine monitoring or maintenance?
- What is the anticipated life of the project?

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EXHIBIT M

INVOICE GUIDANCE FOR ADMINISTRATIVE AND OVERHEAD CHARGES

The funds provided pursuant to this Agreement may only be used for costs that are directly related to the funded Project. The following provides a list of typical requirements for invoicing, specifically providing guidance on the appropriate methods for invoicing administrative and direct overhead charges.

Administration Charges

Indirect and General Overhead (i.e., indirect overhead) charges are not an allowable expense for reimbursement. However, administrative expenses that are apportioned directly to the project are eligible for reimbursement. Cost such as rent, office supplies, fringe benefits, etc. can be “Direct Costs” and are eligible expenses as long as:

- There is a consistent, articulated method for how the costs are allocated that is submitted and approved by the Grant Manager. The allocation method must be fully documented for auditors.
- A “fully-burdened labor rate” can be used to capture allowable administrative costs.
- The administrative/overhead costs can never include:
    - Non-project specific personnel and accounting services performed within the Grantee or an LPS’ organization
    - Markup
    - Tuition
    - Conference fees
    - Building and equipment depreciation or use allowances
- Using a general overhead percentage is never allowed

Labor Rates

The Grantee must provide DWR with supporting documentation for personnel hours (see personnel billing rates letter in example invoice packet). The personnel rate letter should be submitted to the DWR Grant Manager prior to submittal of the first invoice. The supporting documentation must include, at a minimum, employee classifications that will be reimbursed by grant funds and the corresponding hourly rate range. These rates should be “burdened”; the burdened rate must be consistent with the Grantee’s/Local Project Sponsors standardized allocation methodology. The supporting documentation should also provide an explanation of what costs make up the burdened rate and how those costs were determined. This information will be used to compare against the personnel hours summary table invoice back up documentation. Periodic updates may be needed during the life of the grant which would be handled through a revised billing rate letter.

MEMORANDUM

DATE: February 16, 2024
MEETING OF: February 21, 2024
TO: Board of Directors
FROM: General Manager
RE: **DISCUSSION/ACTION ITEM 11A:** Consider Adopting Resolution 2024-04, Authorizing the Grant Acceptance and Execution for the California Department of Water Resources' Watershed Resilience Pilot Program

BACKGROUND

The California Department of Water Resources' (DWR) Watershed Resilience Program webpage states: "To better prepare and plan for a future with climate extremes, the California Water Plan Update 2023 underscores the importance of building watershed-based solutions, climate resilience, and equity statewide by collaborating with local partners."

To help implement these strategies, the Watershed Resilience Program will advance a vision and framework described in the California Water Plan 2023 by providing financial and technical support to improve regional resilience. The program will build on previous regional planning efforts.

Key aspects of this approach are:

- Holistically study, plan, and manage water from headwaters to groundwater to outflow, at a watershed scale.
- Integrate and prioritize equity and inclusiveness.
- Analyze climate vulnerabilities/risks and potential adaptations at the defined watershed scale.
- Plan and collaborate across water supply, flood, groundwater, water quality, forest/fire, ecosystem, and land use sectors.
- Develop and apply performance indicators and metrics to measure, track, and report on outcomes at the regional and statewide level.

The watershed resilience approach supports the Newsom Administration's policies and priorities, including California's Water Supply Strategy (2022) and the California Water Resilience Portfolio (2020), focusing on climate urgency, building regional resilience through multibenefit projects, integrated resource management, and nature-based solutions — all with a strong focus on resilience and equity."

DISCUSSION

DWR is initiating the program by conducting a small set of pilot planning projects to test and apply the watershed resilience approach in various representative regional settings in the state and lay the foundation for future efforts. These pilot planning projects will be awarded funds via directed expenditures. Directed expenditures are specific projects awarded funding at the discretion of the DWR Director outside of a competitive proposal solicitation process. DWR has identified six agencies with

jurisdictions that represent the various regional settings in the state to be tested under the pilot program. PV Water has been invited to partner with DWR and lead the pilot planning study, representing the agricultural coast setting in California.

DWR staff extended an invitation to PV Water to participate in the Watershed Resilience Pilot Program, which would run through June 2026. As it is a pilot program, PV Water staff would work closely with DWR staff from the onset to prepare and then refine a scope of work. Along with quarterly meetings with DWR staff, the scope of work may include the following tasks:

- Identify and Assess Existing Regional Networks
- Develop Watershed Network
- Delineate Watershed Area
- Develop Watershed Resilience Vision
- Assess Climate Vulnerability and State of Watershed
- Assess Vulnerabilities and Risks
- Develop Adaptation Strategies
- Develop Implementation Strategies
- Prepare Watershed Resilience Plan

While the primary emphasis of this program is to fund planning projects for watershed resilience, due to the enabling drought-related legislation, other eligible project types may be allowed, such as:

- Drought resilience planning.
- Construction or installation of permanent connections to adjacent water systems, recycled water projects that provide immediate relief to potable water supplies, and other projects that support immediate drought response.
- Emergency water interties.
- New wells or rehabilitation of existing wells.
- Fish and wildlife rescue, protection, and relocation.
- Education, outreach, direct installation programs, rebate programs, and other activities to increase water conservation.

The 2024 Watershed Resilience Program Guidelines (ca.gov), published in January, contain the "general process, procedures, and criteria that DWR will use to implement the program." PV Water will need to establish a committee to provide input into this effort. Staff may be able to leverage the outreach work that will begin soon for the Department of Conservation's Multibenefit Land Repurposing Program (MLRP) Grant to support the Watershed Resilience Pilot Program (i.e. perhaps one committee could satisfy both efforts). Staff will require additional discussions with DWR before any final decisions will be made.

To remain eligible for this Pilot Program, PV Water will need to send a letter to DWR accepting the award by February 28, and provide a copy of the authoring resolution and self-certification form by March 15.

FISCAL IMPACT

A grant award of $2 million through June 2026.

STAFF RECOMMENDATION

The Board adopt Resolution 2024-04, Designating General Manager, or Designee, as the Authorized Representative to Accept and Execute Agreements with the California Department of Water Resources for a 2024 Watershed Resilience Pilot Program Grant.

ATTACHMENTS

- Resolution 2024-04
- Letter from DWR to PV Water, regarding "Award Notification," dated February 14, 2024
- Draft Grant Agreement (Template)
- Self Certification Form
- 2024 Watershed Resilience Program Web Resources
    - Webpage: https://water.ca.gov/Work-With-Us/Grants-And-Loans/watershed-resilience-program
    - Program Guidelines: https://water.ca.gov/-/media/DWR-Website/Web-Pages/Work-With-Us/Grants-And-Loans/Watershed-Resilience-Program/Files/2024_Watershed_Resilience_Program_Guidelines_PAO_Approved.pdf

Resolution 2024-04

A Resolution of the Board of Directors of the Pajaro Valley Water Management Agency **Designating General Manager, or Designee, as the Authorized Representative to Accept and Execute Agreements with the California Department of Water Resources for a 2024 Watershed Resilience Pilot Program Grant**

The Board of Directors of the Pajaro Valley Water Management Agency does resolve as follows:

WHEREAS, the Pajaro Valley Water Management Agency ("Agency") has authority pursuant to Section 124-508 of its enabling act ("Act") to apply for and administer any public or private grants and programs which affect the water resources of the Agency; and

WHEREAS, the Agency proposes to implement the 2024 Watershed Resilience Pilot Program Grant; and

WHEREAS, the Agency, has the legal authority and is authorized to enter into a funding agreement with the State of California; and

WHEREAS, the General Manager is especially qualified to ensure that grant application materials related to groundwater basin planning and project implementation are prepared in a complete, efficient, and adequate manner; and

WHEREAS, the General Manager has the authority to ensure that groundwater basin planning and project implementation is carried out in full compliance with the applicable requirements and agreements.

NOW, THEREFORE, BE IT RESOLVED by the Pajaro Valley Water Management Agency Board of Directors, as follows:

1. That pursuant and subject to all of the terms and provisions of Budget Act of 2022 (Stats. 2022, ch. 574, § 40 and Stats. 2022, ch. 249, § 208), the Pajaro Valley Water Management Agency's General Manager, or designee, is hereby authorized and directed to execute the funding agreement with the Department of Water Resources and any amendments thereto.
2. Pajaro Valley Water Management Agency's General Manager, or designee, is hereby authorized and directed to submit any required documents, invoices, and reports required to obtain grant funding.

CERTIFICATION: I do hereby certify that the foregoing Resolution was duly and regularly adopted by the Board of Directors of the Pajaro Valley Water Management Agency at the meeting held on **February 21, 2024**, motion by [Director name] and seconded by [Director name], motion passed by the following vote.

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Amy Newell, Chair

Attest:

_____
Laura R. Taay, Board Secretary

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DEPARTMENT OF WATER RESOURCES
P.O. Box 942836
Sacramento, CA 94236-0001
(916) 653-5791

February 14, 2024

Brian Lockwood
General Manager
Pajaro Valley Water Management Agency
36 Brennan St.
Watsonville, CA 95076

Award Notification for Watershed Resilience Grant Program

Dear Brian Lockwood:

Congratulations! We are pleased to inform you that the Pajaro Valley Water Management Agency has been selected and awarded **$2,000,000** grant funds by the Department of Water Resources (DWR) through the Watershed Resilience Grant Program. Costs incurred after February 13, 2024 will be eligible for grant reimbursement. The purpose of this grant award is to assess local climate variability and risks while developing strategies to adapt to climate change and weather whiplash. This award is conditioned upon the execution of a Grant Agreement between DWR and your agency. Please see the agreement template for your reference. Please note funding will expire on June 30, 2026; and thus all tasks and deliverables included the agreement must be completed and paid out by April of 2026.

Your timely attention is directed to the following requirements:

Within 14 calendar days of the date of this award letter:

Award Acceptance - Please submit a letter or e-mail signed by the authorized representative (agreement signatory) confirming your agency as the Grantee to accept the grant award in the amount of $2,000,000. This letter/e-mail should also confirm the proper billing address for your organization (where reimbursement checks will be sent).

Electronic Signatures - DWR uses DocuSign to process signatures electronically to expedite all grant-related documents requiring a signature. In order for DWR to send documents to you via DocuSign, we need your permission and consent. If you consent to the use of DocuSign, please send DWR a letter on official letterhead signed by the authorized representative, consenting to the use of DocuSign for all transactions related to this award (see attached sample). If you prefer not to use electronic signatures, DWR can send documents for original (wet) signatures via email or mail, but this can delay the process significantly, especially during situations such as the COVID-19 public health emergency.

Within 30 calendar days of the date of this award letter:

Authorizing Resolution – Please submit an authorizing resolution for this agreement within the next 30 days of this letter (see attached sample language).

Self-Certification – Please submit a completed self-certification form within the next 30 days of this letter (see attached sample language).

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Draft Agreement – A draft agreement is attached to this letter. Please revise and edit the first draft of the agreement within the next 30 days for review by DWR. DWR will then work with you to finalize the agreement.

Your timely attention to these requirements is critical to execute the Grant Agreement; failure to do so may result in DWR revoking the grant award. Please submit the required information in the time periods specified to ashley.gilreath@water.ca.gov. The subject line of the email should include "<applicant name> ANL Items". Please contact Ashley Gilreath at ashley.gilreath@water.ca.gov or (916) 326-9993 if you have questions.

Again, congratulations to you on this grant award. We look forward to working with you to build watershed resilience in your communities.

Sincerely,

Zaffar Eusuff, Ph.D., P.E.

Carmel Brown

Manager, Financial Assistance Branch

Division of Regional Assistance

GRANT AGREEMENT BETWEEN

THE STATE OF CALIFORNIA (DEPARTMENT OF WATER RESOURCES) AND

<GRANTEE NAME>

WATERSHED RESILIENCE PILOT PROGRAM

THIS GRANT AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" and the <insert Grantee Name>, a <select appropriate descriptor and delete others – public agency, non-profit, etc.> in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Grantee," which parties do hereby agree as follows:

1. PURPOSE. The State shall provide funding from the Budget Act of 2022 (Stats. 2022, ch. 249, § 208, & ch. 574, § 40) to the Grantee to assist in financing the Project.
2. TERM OF GRANT AGREEMENT. The term of this Grant Agreement begins on the date this Grant Agreement is initially executed by State, through final payment plus three (3) years unless otherwise terminated or amended as provided in this Agreement. However, all work shall be completed by <Insert date based on schedule> and no funds may be requested after <Insert date work completed + 3 - 6 months>.
3. PROJECT COST. The reasonable cost of the Project is estimated to be $2,000,000.
4. FUNDING AMOUNT. The maximum amount payable by the State under this Agreement shall not exceed $<INSERT AMOUNT>. Any additional costs are the responsibility of the Grantee.
5. GRANTEE COST SHARE. Grantee agrees to fund the difference between the actual Total Project Cost, as estimated in Paragraph 3, and the amount specified in Paragraph 4, if any.
6. BASIC CONDITIONS. State shall have no obligation to disburse money for the Project under this Grant Agreement until Grantee has satisfied the following conditions:

   A. For the term of this Grant Agreement, Grantee submits timely Quarterly Progress Reports, associated quarterly invoices, and all invoice backup documentation no later than sixty (60) days following the end of the calendar quarter (e.g., submitted by May 30th, August 29th, November 29th, and February 28th) and all other deliverables as required by Paragraph 13, “Submission of Reports” and Exhibit A, “Work Plan.”

   B. The Grantee shall conduct required quarterly meetings as set forth in Exhibit A, “Work Plan”

   C. Prior to the commencement of construction or implementation activities, Grantee shall submit the following to the State:

      i. Final plans and specifications certified by a California Registered Civil Engineer as to compliance for the Project as listed in Exhibit A of this Grant Agreement.

      ii. Work that is subject to the California Environmental Quality Act (CEQA) and or environmental permitting shall not proceed under this Grant Agreement until the following actions are performed:

         a. Grantee submits to the State all applicable environmental permits as indicated on the Environmental Information Form to the State,

         b. Documents that satisfy the CEQA process are received by the State,

         c. State has completed its CEQA compliance review as a Responsible Agency, and

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d. Grantee receives written concurrence from the State of Lead Agency's CEQA document(s) and State notice of verification of environmental permit submittal.

State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, State will consider the environmental documents and decide whether to continue to fund the Project or to require changes, alterations or other mitigation. Grantee must also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act (NEPA) by submitting copies of any environmental documents, including environmental impact statements, Finding of No Significant Impact, mitigation monitoring programs, and environmental permits as may be required prior to beginning construction/implementation.

7. DISBURSEMENT OF FUNDS. State will disburse to Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Grant Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations. Any and all money disbursed to Grantee under this Grant Agreement shall be deposited in a separate account and shall be used solely to pay Eligible Project Costs.

8. ELIGIBLE PROJECT COSTS. Grantee shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B. Eligible Project Costs include the reasonable costs of studies, engineering, design, land and easement acquisition, legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction. Reimbursable administrative expenses are the necessary costs incidental but directly related to the Project included in this Agreement. Work performed on the Project after <insert date> shall be eligible for reimbursement.

   Costs that are not eligible for reimbursement include, but are not limited to the following items:

   A. Costs, other than those noted above, incurred prior to <insert date>.
   B. Operation and maintenance costs, including post construction performance and monitoring costs.
   C. Purchase of equipment not an integral part of the Project.
   D. Establishing a reserve fund.
   E. Purchase of water supply.
   F. Monitoring and assessment costs for efforts required after Project construction is complete.
   G. Replacement of existing funding sources (e.g., bridge loans).
   H. Support of existing agency requirements and mandates (e.g., punitive regulatory agency requirement).
   I. Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies.
   J. Overhead and indirect costs. "Indirect Costs" means those costs that are incurred for a common or joint purpose benefiting more than one cost objective and are not readily assignable to the funded project (i.e., costs that are not directly related to the funded project). Examples of Indirect Costs include, but are not limited to: central service costs; general administration of the Grantee; non-project-specific accounting and personnel services performed within the Grantee's organization; depreciation or use allowances on buildings and

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equipment; the costs of operating and maintaining non-project-specific facilities; tuition; conference fees; and, generic overhead or markup. This prohibition applies to the Grantee and any subcontract or sub-agreement for work on the Project that will be reimbursed pursuant to this Agreement.

K. Payment of Federal and State taxes.

L. Costs incurred as part of any necessary response and cleanup activities required under the Comprehensive Environmental Response, Compensation, and Liability Act; Resource Conservation and Recovery Act; Hazardous Substances Account Act; or other applicable law.

9. METHOD OF PAYMENT. After the disbursement requirements in Paragraph 6 "Basic Conditions" are met, State will disburse the whole or portions of State funding to Grantee, following receipt from Grantee via US mail or Express mail delivery of a "wet signature" invoice, or an electronic invoice certified and transmitted via DocuSign for costs incurred, including Cost Share, and timely Quarterly Progress Reports as required by Paragraph 13, "Submission of Reports." Payment will be made no more frequently than quarterly, in arrears, upon receipt of an invoice bearing the Grant Agreement number. State will notify Grantee, in a timely manner, whenever, upon review of an Invoice, State determines that any portion or portions of the costs claimed are not Eligible Project Costs or is not supported by documentation or receipts acceptable to State. Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to State to cure such deficiency(ies). If Grantee fails to submit adequate documentation curing the deficiency(ies), State will adjust the pending invoice by the amount of ineligible or unapproved costs.

Invoices submitted by Grantee shall include the following information:

A. Costs incurred for work performed in implementing the Project during the period identified in the particular invoice.

B. Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for the Project during the period identified in the particular invoice for the implementation of the Project.

C. Invoices shall be submitted on forms provided by State and shall meet the following format requirements:

i. Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.

ii. Invoices must be itemized based on the categories (i.e., tasks) specified in Exhibit B. The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).

iii. One set of sufficient evidence (i.e., receipts, copies of checks, time sheets) must be provided for all costs included in the invoice.

iv. Each invoice shall clearly delineate those costs claimed for reimbursement from the State's funding amount, as depicted in Paragraph 4, "Funding Amount" and those costs that represent Grantee's costs, as applicable, in Paragraph 5, "Grantee Cost Share."

v. Original signature and date (in ink) of Grantee's Project Representative. Submit the original "wet signature" copy of the invoice form to the following address: <Insert DWR PM title & appropriate address>or an electronic signature certified and transmitted via DocuSign from authorized representative to <Insert DWR PM title>.

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All invoices submitted shall be accurate and signed under penalty of law. Any and all costs submitted pursuant to this Agreement shall only be for the tasks set forth herein. The Grantee shall not submit any invoice containing costs that are ineligible or have been reimbursed from other funding sources unless required and specifically noted as such (i.e., cost share). Any eligible costs for which the Grantee is seeking reimbursement shall not be reimbursed from any other source. Double or multiple billing for time, services, or any other eligible cost is illegal and constitutes fraud. Any suspected occurrences of fraud, forgery, embezzlement, theft, or any other misuse of public funds may result in suspension of disbursements of grant funds and/or termination of this Agreement requiring the repayment of all funds disbursed hereunder. Additionally, the State may request an audit pursuant to Paragraph D.5 and refer the matter to the Attorney General's Office or the appropriate district attorney's office for criminal prosecution or the imposition of civil liability. (Civ. Code, §§ 1572-1573; Pen. Code, §§ 115, 470, 487-489.)

10. WITHHOLDING OF DISBURSEMENTS BY STATE. If State determines that the Project is not being implemented in accordance with the provisions of this Grant Agreement, or that Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if Grantee does not remedy any such failure to State's satisfaction, State may withhold from Grantee all or any portion of the State funding and take any other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to the Grantee and State notifies Grantee of its decision not to release funds that have been withheld pursuant to Paragraph 11, the portion that has been disbursed shall thereafter be repaid immediately, as directed by State. State may consider Grantee's refusal to repay the requested disbursed amount a contract breach subject to the default provisions in Paragraph 11, "Default Provisions." If State notifies Grantee of its decision to withhold the entire funding amount from Grantee pursuant to this Paragraph, this Grant Agreement shall terminate upon receipt of such notice by Grantee and the State shall no longer be required to provide funds under this Grant Agreement and the Grant Agreement shall no longer be binding on either party.
11. DEFAULT PROVISIONS. Grantee will be in default under this Grant Agreement if any of the following occur:
    A. Substantial breaches of this Grant Agreement, or any supplement or amendment to it, or any other agreement between Grantee and State evidencing or securing Grantee's obligations;
    B. Making any false warranty, representation, or statement with respect to this Grant Agreement or the application filed to obtain this Grant Agreement;
    C. Failure to operate or maintain project in accordance with this Grant Agreement.
    D. Failure to make any remittance required by this Grant Agreement, including any remittance recommended as the result of an audit conducted pursuant to Paragraph D.5.
    E. Failure to submit timely progress reports.
    F. Failure to routinely invoice State.
    G. Failure to meet any of the requirements set forth in Paragraph 12, "Continuing Eligibility."
    H. A determination pursuant to Government Code section 11137 that the Funding Recipient has violated any of the following: Government Code sections 11135 or 12960 et seq.; Civil Code sections 51-54.2, inclusive; or any regulations adopted to implement these sections.

    Should an event of default occur, State shall provide a notice of default to the Grantee and shall give Grantee at least ten (10) calendar days to cure the default from the date the notice is sent via

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first-class mail to the Grantee. If the Grantee fails to cure the default within the time prescribed by the State, State may do any of the following:

A. Declare the funding be immediately repaid.

B. Terminate any obligation to make future payments to Grantee.

C. Terminate the Grant Agreement.

D. Take any other action that it deems necessary to protect its interests.

In the event State finds it necessary to enforce this provision of this Grant Agreement in the manner provided by law, Grantee agrees to pay all costs incurred by State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

12. CONTINUING ELIGIBILITY. Grantee must meet the following ongoing requirement(s) to remain eligible to receive State funds:

A. Grantee must adhere to the protocols developed pursuant to The Open and Transparent Water Data Act (Wat. Code, § 12406) for data sharing, transparency, documentation, and quality control.

B. If the Grantee diverting surface water, the Grantee must maintain compliance with diversion reporting requirements as outlined in Water Code section 5100 et seq.

C. If applicable, maintain compliance with the Urban Water Management Planning Act (Wat. Code, § 10610 et seq.).

D. If applicable, maintain compliance with Sustainable Water Use and Demand Reduction requirements outlined in Water Code section 10608, et seq.

E. If applicable, maintain compliance with the Sustainable Groundwater Management Act (Wat. Code, § 10720 et seq.) and with groundwater elevation monitoring requirements (Wat. Code, § 10920, et seq.).

F. On March 4, 2022, the Governor issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. The EO may be found at: https://www.gov.ca.gov/wp-content/uploads/2022/03/3.4.22-Russia-Ukraine-Executive-Order.pdf. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under State law. The EO directs DWR to terminate funding agreements with, and to refrain from entering any new agreements with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine that the Grantee is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this Agreement. The State shall provide the Grantee advance written notice of such termination, allowing the Grantee at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

13. SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to State. All reports shall be submitted to the State's Project Manager, and shall be submitted via DWR's "Grant Review and Tracking System" (GRanTS). If requested, Grantee shall promptly provide any additional information deemed necessary by State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit F. The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the

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State, of a Project Completion Report is a requirement for the release of any funds retained for such project.

A. Quarterly Progress Reports: Grantee shall submit Quarterly Progress Reports to meet the State's requirement for disbursement of funds. Quarterly Progress Reports shall be uploaded via GRanTS, and the State's Project Manager notified of upload. Quarterly Progress Reports shall, in part, provide a brief description of the work performed, Grantees activities, milestones achieved, any accomplishments and any problems encountered in the performance of the work under this Grant Agreement during the reporting period. The first Progress Report must accompany an invoice and shall be submitted within 60 days following the end of the calendar quarter (i.e., invoices due May 30, August 29, November 29, and March 1).

B. Grant Completion Report: Upon completion of all the Projects included in Exhibit A, the Grantee shall submit to the State a Grant Completion Report. The Grant Completion Report shall be submitted within ninety (90) calendar days of submitting the Completion Report for the final project to be completed under this Grant Agreement, as outlined in Exhibits A and F. Retention for any grant administration line items in the Budget of this Grant Agreement will not be disbursed until the Grant Completion Report is approved by the State

14. OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by State, Grantee agrees to ensure or cause to be performed the commencement and continued operation of the Project, and shall ensure or cause the Project to be operated in an efficient and economical manner; shall ensure all repairs, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The State shall not be liable for any cost of such maintenance, management, or operation. Grantee or their successors may, with the written approval of State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Grant Agreement, "useful life" means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and "maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal of Grantee to ensure operation and maintenance of the Project in accordance with this provision may, at the option of State, be considered a breach of this Grant Agreement and may be treated as default under Paragraph 11, "Default Provisions."

15. NOTIFICATION OF STATE. Grantee shall promptly notify State, in writing, of the following items:

A. Events or proposed changes that could affect the scope, budget, or work performed under this Grant Agreement. Grantee agrees that no substantial change in the scope of a project will be undertaken until written notice of the proposed change has been provided to State and State has given written approval for such change. Substantial changes generally include changes to the scope of work, schedule or term, and budget.

B. Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by State's representatives. Grantee shall make such notification at least 14 calendar days prior to the event.

C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during construction, the Grantee agrees that all work in the area of the find will cease until a qualified archaeologist has evaluated the

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situation and made recommendations regarding preservation of the resource, and the State has determined what actions should be taken to protect and preserve the resource. The Grantee agrees to implement appropriate actions as directed by the State.

D. The initiation of any litigation or the threat of litigation against the Grantee regarding the Project or that may affect the Project in any way.

E. Final inspection of the completed work on a project by a Registered Civil Engineer, in accordance with Standard Condition D.17, "Final Inspections and Certification of Registered Civil Engineer." Grantee shall notify the State's Project Manager of the inspection date at least 14 calendar days prior to the inspection in order to provide State the opportunity to participate in the inspection.

16. NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Grant Agreement shall be in writing. Notices may be transmitted by any of the following means:

A. By delivery in person.

B. By certified U.S. mail, return receipt requested, postage prepaid.

C. By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.

D. By electronic means.

E. Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U. S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the below addresses. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

17. PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant Agreement are as follows:

Department of Water Resources	<Grantee agency/company Name>
Arthur Hinojosa Manager, Division of Regional Assistance P.O. Box 942836 Sacramento, CA 94236 Phone: (916) 902-6713 Email: Arthur.Hinojosa@water.ca.gov	<Grantee Project Representative Name> <Title> <Mailing address line 1> <Mailing address line 2> Phone: (###) ###-#### Email:

Direct all inquiries to the Project Manager:

Department of Water Resources	<Grantee agency/company Name>
<DWR Project Manager Name> <Title>	<Grantee Project Manager Name> <Title>

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<Mailing address line 1> <Mailing address line 2> Phone: (###) ###-#### Email:	<Mailing address line 1> <Mailing address line 2> Phone: (###) ###-#### Email:

Either party may change its Project Representative or Project Manager upon written notice to the other party.

18. STANDARD PROVISIONS AND INTEGRATION. This Grant Agreement is complete and is the final Agreement between the parties. The following Exhibits are attached and made a part of this Grant Agreement by this reference:

Exhibit A – Work Plan

Exhibit B – Budget

Exhibit C – Schedule

Exhibit D – Standard Conditions

Exhibit E – Authorizing Resolution

Exhibit F – Report Formats and Requirements

Exhibit G – Requirements for Data Submittal

Exhibit H – State Audit Document Requirements and Cost Share Guidelines for the Grantee

Exhibit I – Invoice Guidance for Administrative and Overhead Charges

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STATE OF CALIFORNIA
DEPARTMENT OF WATER RESOURCES

<INSERT GRANTEE NAME>

_____

Arthur Hinojosa
Manager, Division of Regional Assistance

_____

<Grantee Project Representative Name>
<Title>

Date_____

Date

Approved as to Legal Form and Sufficiency

_____

Robin Brewer
Assistant General Counsel,
Office of the General Counsel

Date_____

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EXHIBIT A

WORK PLAN

NOTE: These are instructions – not to be included in final agreement:

The Work Plan shall contain the following items:

- For each project, a concise description of each task needed to complete the project.
- Grant reporting tasks including the submittal of Quarterly Progress Reports, Invoices, and Final Reports.
- The inclusion of underrepresented communities may be designated as a distinct task, but it should not be confined solely to that section. It is essential for the consideration of underrepresented communities to be seamlessly integrated throughout the entire work plan, rather than being isolated as a standalone task.
- DWR acknowledges that you may have already made progress towards watershed resilience. However, to review the work already completed, earlier deliverables must be submitted, and as a result, they should be retained in the work plan.
- There are many sections written in general language. These are provided as a guide and should cover the general tasks being completed. However, please review for accuracy and edit as needed (unless indicated this section may not be changed)

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Exhibit A

WORK PLAN

PROJECT X: <Awarded Project Name>

IMPLEMENTING AGENCY: <Agency Name / Local Project Sponsor Name>

PROJECT DESCRIPTION: <Brief Description of work that will be done, where, and the quantitative benefits that will be provided.>

Budget Category (a): Project Administration (This section should not be altered as it is required)

Task 1: Project Management

Manage Grant Agreement including compliance with grant requirements, and preparation and submission of supporting grant documents. Prepare invoices including relevant supporting documentation for submittal to DWR via the Grantee. This task also includes administrative responsibilities associated with the project such as coordinating with partnering agencies and managing consultants/contractors.

Deliverables:

- Invoices and associated backup documentation

Task 2: Reporting

Prepare progress reports detailing work completed during reporting period as outlined in Exhibit F of this Agreement. Submit reports to DWR. Attend quarterly meeting with DWR to review work completed.

Prepare Grant Completion Report and submit to DWR no later than 90 days after grant completion for DWR Project Manager's comment and review. The report shall be prepared and presented in accordance with guidance as outlined in Exhibit F.

Deliverables:

- Quarterly Project Progress Reports
- Grant Completion Report
- Documentation (e.g., photo) of "Acknowledgment of Credit & Signage" per Standard Condition D.2

Budget Category (b): Watershed Network Coordination

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Task 3 Identify and Assess Existing Regional Networks

Identify and assess existing regional networks, evaluating participant engagement, inclusivity, and health of the networks. Include Regional Water Management Groups, Groundwater Sustainable Agencies, Regional Climate Collaboratives, Regional Flood Management Groups, Regional Forest and Fire Capacity Program groups, and other relevant water and resource management groups. Identify and engage underrepresented communities, vulnerable communities, and Tribes, assessing their capability for engagement. Also, identify and engage additional partners for broader multi-sector collaboration. <Add applicable detail>

Deliverables:

- Assessment of existing regional networks and engagement efforts

Task 4 Develop Watershed Network

Building off the efforts in Task 3, convene a watershed network focusing on equity and network development. Form a collaborative watershed network with a representative group to develop the Watershed Resilience Plan (Plan). Establish an inclusive advisory and decision-making structure for completing the Plan and work described in this Agreement. Develop written policies for the decision-making structure including policies and procedures for ensuring equitable inclusion of underrepresented communities and Tribes. <Add applicable detail>

Deliverables:

- Summary of process and development of watershed network, including participants and roles, included in the quarterly progress report
- Written policies for advisory and decision-making structure including policies and procedures for ensuring equitable inclusion of underrepresented communities and Tribes

Task 5 Delineate Watershed Area

Any costs incurred for this and subsequent tasks shall not be eligible for reimbursement until final approval of the watershed boundary has been issued by DWR. Delineate a hydrologically-based watershed planning area considering headwaters to outlet, groundwater basins, water-related systems, sources of climate risk, and potential systemwide adaptation opportunities. Review the draft DWR watershed boundaries and justify any proposed boundary changes based on hydrological foundations. Define and map the watershed area, considering critical influences from adjacent watersheds.<Add applicable detail>

Deliverables:

- Draft Proposed Watershed area map (if applicable)

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Task 6: Watershed Resilience Vision

Establish a watershed resilience vision and goals through the watershed network. Convene discussions to establish problem statements, resilience vision, and goals, documenting them to guide the development of the Watershed Resilience Plan. <Add applicable detail>

Deliverables:

- Draft watershed-specific resilience problem statements
- Draft watershed-specific resilience vision and goals

Budget Category (c): Climate Change Analysis

Task 7: Assess Climate Vulnerability and State of Watershed

The Grantee will compile existing climate vulnerability assessments for water-related sectors, identify critical historical weather-related events and their impacts, and document major regional climate drivers and trends. The documented climate drivers should include descriptions of historical trends and projected changes in temperature, precipitation, sea level, floods, drought, wildfire, and other climate-driven processes that are relevant to the watershed. The Grantee will describe key climate challenges and opportunities for increasing future resilience. The Grantee will document this information in a watershed assessment. <Add applicable detail>

Deliverables:

- Draft watershed assessment including summaries of climate and hydrology in the watershed, historical weather-related challenges and events/impacts, relevant prior assessments, key challenges influencing resilience, and opportunities for increasing future resilience

Task 8: Assess Vulnerabilities and Risks

The Grantee will develop vulnerability metrics and thresholds for major water sectors, preparing an updated historical watershed water budget, assessing and organizing modeling tools, conducting qualitative and quantitative vulnerability assessments, and eventually identifying and prioritizing critical risks. The Grantee will:

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- Develop vulnerability metrics and thresholds for water supply, groundwater, flood management, ecosystems, water quality, recreation, hydropower, and equity considerations.
- Prepare an updated historical watershed water budget using appropriate methods outlined in the Draft DWR's Handbook for Water Budget Development.
- Assess and organize existing modeling tools for water resources vulnerability, adjusting or developing new models as needed for quantitative vulnerability assessments. Modeling tools may include, but are not limited to, watershed hydrological, groundwater, river basin management, river hydraulic, water quality, ecological, and economic models.
- Conduct climate vulnerability and risk assessments, initially qualitative, exploring climate hazards, system sensitivity, adaptive capacity, and vulnerability. Followed by a quantitative assessment evaluating current and future system performance related to water resource and equity metrics.
- Prepare a comprehensive vulnerability and risk assessment report, detailing the approach, methods, and findings. Share this report with DWR and watershed network partners to enhance understanding of climate risks and conditions influencing vulnerability in the watershed.

<Add applicable detail>

Deliverables:

- Draft watershed water budget
- Draft vulnerability and risk assessment report

Task 9: Develop Adaptation Strategies

The Grantee will identify priority risk areas, developing and evaluating adaptation strategies, and recommending actions for improvement. The Grantee will:

- Conduct a thorough review of vulnerability assessment findings and collaborate with watershed network partners to describe priority risk areas based on the level of risk, impacts to multiple resources, and vulnerability metrics.
- Develop watershed-specific adaptation strategies encompassing infrastructure, land and water management, regulatory and policy measures, and regional approaches. These strategies will undergo rigorous evaluation considering risk reduction, technical complexity, cost, regulatory and environmental impacts, and social effects.
- Utilize quantitative methods aligned with vulnerability assessment tools to demonstrate risk reduction potential for at least one adaptation strategies.
- Document a set of recommended adaptation strategies, inclusive of benefits and costs. The strategies should address all water resource sectors and also demonstrate how equity considerations were included.

<Add applicable detail>

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Deliverables:

- Draft adaptation strategies report

Task 10: Develop Implementation Strategies

The Grantee will identify and develop an implementation plan for each of the recommended adaptation strategies in Task 8. This plan will encompass the adaptation strategy, specific actions, responsible leads, supportive parties, schedule, and implementation costs, serving as a guiding framework for strategy implementation over time The Grantee, alongside watershed network partners, will actively engage in building public support for recommended strategies. This includes creating concise, publicly available information, targeted outreach, and public messaging on the importance of adaptation for watershed resilience. Implementation strategies should be developed, reviewed, and approved in open and public forums. <Add applicable detail>

Deliverables:

- Draft implementation strategies, plans, budgets, and schedules

Budget Category (d): Watershed Resilience Plan

Task 10 Performance Tracking

DWR is preparing a set of indicators and metrics for measuring the performance of watershed resilience throughout the State. The Grantee will review these draft indicators and metrics and recommend additional watershed-specific performance tracking indicators that will serve as "vital signs" for current watershed resilience. The data sources and methods associated with each metrics should be documented. These watershed-specific metrics should complement the statewide metrics. <Add applicable detail>

Commented [A1]: May need to change if completed

Deliverables:

- Documentation of identified indicators and metrics, supporting data, and availability.

Task 11 Watershed Resilience Plan

The Grantee will prepare <a comprehensive Watershed Resilience Plan or functionally equivalent plan> that documents the process, approaches, findings, and recommendations developed in the Project. Prepare one draft Plan for review by DWR and a final plan that addresses comments. The Grantee will make the final report accessible on their website. <Add applicable detail>

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Deliverables:

- A draft and final Watershed Resilience Plan including the assessments and key findings identified in Tasks 3 through 10.

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Exhibit B

BUDGET

PROJECT: <Project X Name>

Implementing Agency:

	BUDGET CATEGORY	Grant Amount	All Other Cost*	Total Cost
(a)	Project Administration	$0	$0	$0
(b)	Watershed Network Coordination	$0	$0	$0
(c)	Climate Change Analysis	$0	$0	$0
(d)	Watershed Resilience Plan	$0	$0	$0
(e)	Retention (10% of Award)	$200,000	$0	$200,000
	TOTAL COSTS	$0	$0	$0

NOTES:

* List sources of All Other Cost, including other State Fund Sources.

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EXHIBIT C

SCHEDULE

PROJECT: <Project X Name>

	BUDGET CATEGORY	Start Date	End Date
a	Project Administration	MM/DD/YYYY	MM/DD/YYYY
b	Watershed Network Coordination	MM/DD/YYYY	MM/DD/YYYY
c	Climate Change Analysis	MM/DD/YYYY	MM/DD/YYYY
d	Watershed Resilience Plan	MM/DD/YYYY	MM/DD/YYYY

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Exhibit D

STANDARD CONDITIONS

D.1. ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:

A. Separate Accounting of Funding Disbursements: Grantee shall account for the money disbursed pursuant to this Grant Agreement separately from all other Grantee funds. Grantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Grantee shall keep complete and accurate records of all receipts and disbursements on expenditures of such funds. Grantee shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by State at any and all reasonable times.

B. Disposition of Money Disbursed: All money disbursed pursuant to this Grant Agreement shall be deposited in a separate account, administered, and accounted for pursuant to the provisions of applicable law.

C. Remittance of Unexpended Funds: Grantee shall remit to State any unexpended funds that were disbursed to Grantee under this Grant Agreement and were not used to pay Eligible Project Costs within a period of sixty (60) calendar days from the final disbursement from State to Grantee of funds or, within thirty (30) calendar days of the expiration of the Grant Agreement, whichever comes first.

D.2. ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE: Grantee shall include appropriate acknowledgement of credit to the State for its support when promoting the Project or using any data and/or information developed under this Grant Agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the Grantee's headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Funding for this project has been provided in full or in part from the Budget Act of 2021-2022 and through an agreement with the State Department of Water Resources." The Grantee shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.

Commented [GA2]: James, in this case we would like them to acknowledge us in the reports produced with this money and any webpages. Can this be updated to reflect that?

Commented [BM3R2]: After reading the first sentence again, I think perhaps its covered already....?

Commented [JH4R2]: Yes

D.3. AMENDMENT: This Grant Agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Grantee for amendments must be in writing stating the amendment request and the reason for the request. Requests solely for a time extension must be submitted at least 90 days prior to the work completion date set forth in Paragraph 2. Any other request for an amendment must be submitted at least 180 days prior to the work completion date set forth in Paragraph 2. State shall have no obligation to agree to an amendment.

D.4. AMERICANS WITH DISABILITIES ACT: By signing this Grant Agreement, Grantee assures State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. § 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

D.5. AUDITS: State reserves the right to conduct an audit at any time between the execution of this Grant Agreement and the completion of the Project, with the costs of such audit borne by State. After completion of the Project, State may require Grantee to conduct a final audit to State's specifications, at Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Grantee to

comply with this provision shall be considered a breach of this Grant Agreement, and State may elect to pursue any remedies provided in Paragraph 11 or take any other action it deems necessary to protect its interests. The Grantee agrees it shall return any audit disallowances to the State.

Pursuant to Government Code section 8546.7, the Grantee shall be subject to the examination and audit by the State for a period of three (3) years after final payment under this Grant Agreement with respect of all matters connected with this Grant Agreement, including but not limited to, the cost of administering this Grant Agreement. All records of Grantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after receipt of the final disbursement under this Agreement.

D.6. BUDGET CONTINGENCY: If the Budget Act of the current year covered under this Grant Agreement does not appropriate sufficient funds for this program, this Grant Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of State to make any payments under this Grant Agreement. In this event, State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Grant Agreement and Grantee shall not be obligated to perform any provisions of this Grant Agreement. Nothing in this Grant Agreement shall be construed to provide Grantee with a right of priority for payment over any other Grantee. If funding for any fiscal year after the current year covered by this Grant Agreement is reduced or deleted by the Budget Act, by Executive Order, or by order of the Department of Finance, the State shall have the option to either cancel this Grant Agreement with no liability occurring to State, or offer a Grant Agreement amendment to Grantee to reflect the reduced amount.

D.7. CEQA: Activities funded under this Grant Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.) Any work that is subject to CEQA and funded under this Agreement shall not proceed until documents that satisfy the CEQA process are received by the State's Project Manager and the State has completed its CEQA compliance. Work funded under this Agreement that is subject to a CEQA document shall not proceed until and unless approved by the Department of Water Resources. Such approval is fully discretionary and shall constitute a condition precedent to any work for which it is required. If CEQA compliance by the Grantee is not complete at the time the State signs this Agreement, once State has considered the environmental documents, it may decide to require changes, alterations, or other mitigation to the Project; or to not fund the Project. Should the State decide to not fund the Project, this Agreement shall be terminated in accordance with Paragraph 11.

D.8. CHILD SUPPORT COMPLIANCE ACT: The Grantee acknowledges in accordance with Public Contract Code section 7110, that:

A. The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Family Code section 5200 et seq.; and

B. The Grantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

D.9. CLAIMS DISPUTE: Any claim that the Grantee may have regarding performance of this Agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the DWR Project Representative, within thirty (30) days of the Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a

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resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.

D.10. COMPETITIVE BIDDING AND PROCUREMENTS: Grantee's contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by State under this Grant Agreement must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the Grantee does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting.

D.11. COMPUTER SOFTWARE: Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Grant Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.

D.12. CONFLICT OF INTEREST: All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code sections 10410 and 10411, for State conflict of interest requirements.

A. Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.

B. Former State Employees: For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.

C. Employees of the Grantee: Employees of the Grantee shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act. (Gov. Code, § 87100 et seq.)

D. Employees and Consultants to the Grantee: Individuals working on behalf of a Grantee may be required by the Department to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.

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D.13. DELIVERY OF INFORMATION, REPORTS, AND DATA: Grantee agrees to expeditiously provide throughout the term of this Grant Agreement, such reports, data, information, and certifications as may be reasonably required by State.

D.14. DISPOSITION OF EQUIPMENT: Grantee shall provide to State, not less than 30 calendar days prior to submission of the final invoice, an itemized inventory of equipment purchased with funds provided by State. The inventory shall include all items with a current estimated fair market value of more than $5,000.00 per item. Within 60 calendar days of receipt of such inventory State shall provide Grantee with a list of the items on the inventory that State will take title to. All other items shall become the property of Grantee. State shall arrange for delivery from Grantee of items that it takes title to. Cost of transportation, if any, shall be borne by State.

D.15. DRUG-FREE WORKPLACE CERTIFICATION: Certification of Compliance: By signing this Grant Agreement, Grantee, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:

A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355.

B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:

   i. The dangers of drug abuse in the workplace,

   ii. Grantee's policy of maintaining a drug-free workplace,

   iii. Any available counseling, rehabilitation, and employee assistance programs, and

   iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.

C. Provide, as required by Government Code section 8355, that every employee, contractor, and/or subcontractor who works under this Grant Agreement:

   i. Will receive a copy of Grantee's drug-free policy statement, and

   ii. Will agree to abide by terms of Grantee's condition of employment, contract or subcontract.

D.16. EASEMENTS: Where the Grantee acquires property in fee title or funds improvements to real property using State funds provided through this Grant Agreement, an appropriate easement or other title restriction providing for floodplain preservation and/or wildlife habitat conservation for the subject property in perpetuity, approved by the State, shall be conveyed to a regulatory or trustee agency or conservation group acceptable to the State. The easement or other title restriction must be in first position ahead of any recorded mortgage or lien on the property unless this requirement is waived by the State.

Where the Grantee acquires an easement under this Agreement, the Grantee agrees to monitor and enforce the terms of the easement, unless the easement is subsequently transferred to another land management or conservation organization or entity with State permission, at which time monitoring and enforcement responsibilities will transfer to the new easement owner.

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Failure to provide an easement or other title restriction acceptable to the State may result in termination of this Agreement.

D.17. FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED CIVIL ENGINEER: Upon completion of the Project, Grantee shall provide for a final inspection and certification by a California Registered Civil Engineer that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Grant Agreement.

D.18. GRANTEE'S RESPONSIBILITIES: Grantee and its representatives shall:

A. Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A (Work Plan) and in accordance with Project Exhibit B (Budget) and Exhibit C (Schedule).

B. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Grantee in the application, documents, amendments, and communications filed in support of its request for funding.

C. Comply with all applicable California, federal, and local laws and regulations.

D. Implement the Project in accordance with applicable provisions of the law.

E. Fulfill its obligations under the Grant Agreement and be responsible for the performance of the Project.

F. Obtain any and all permits, licenses, and approvals required for performing any work under this Grant Agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. Grantee shall provide copies of permits and approvals to State.

G. Be solely responsible for design, construction, and operation and maintenance of projects within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of funds by State and shall not be deemed to relieve or restrict responsibilities of Grantee under this Agreement.

H. Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Grantee shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to payment disputes with contractors and subcontractors. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work.

D.19. GOVERNING LAW: This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

D.20. INDEMNIFICATION: Grantee shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project and this Agreement, including, but not limited to any claims or damages arising from planning, design, construction, maintenance and/or operation of levee rehabilitation measures for this Project and any breach of this Agreement. Grantee shall require its contractors or subcontractors to name the State, its

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officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.

D.21. INDEPENDENT CAPACITY: Grantee, and the agents and employees of Grantees, in the performance of the Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.

D.22. INSPECTION OF BOOKS, RECORDS, AND REPORTS: During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Grant Agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Grant Agreement. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and State may withhold disbursements to Grantee or take any other action it deems necessary to protect its interests.

D.23. INSPECTIONS OF PROJECT BY STATE: State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Grant Agreement. This right shall extend to any subcontracts, and Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Grant Agreement with State.

D.24. LABOR CODE COMPLIANCE: The Grantee agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. Current Department of Industrial Relations (DIR) requirements may be found at: http://www.dir.ca.gov/ lcp.asp. For more information, please refer to DIR's *Public Works Manual* at: http://www.dir.ca.gov/ dlse/PWManualCombined.pdf. The Grantee affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance, and the Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.

D.25. MODIFICATION OF OVERALL WORK PLAN: At the request of the Grantee, the State may at its sole discretion approve non-material changes to the portions of Exhibits A, B, and C which concern the budget and schedule without formally amending this Grant Agreement. Non-material changes with respect to the budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the State Grant Agreement. Non-material changes with respect to the Project schedule are changes that will not extend the term of this Grant Agreement. Requests for non-material changes to the budget and schedule must be submitted by the Grantee to the State in writing and are not effective unless and until specifically approved by the State's Program Manager in writing.

D.26. NONDISCRIMINATION: During the performance of this Grant Agreement, Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital/domestic partner status, gender identity, and denial of medial and family care leave or pregnancy disability leave. Grantee and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and

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harassment. Grantee and its contractors or subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing Commission are incorporated into this Agreement by reference. Grantee and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Grant Agreement.

D.27. OPINIONS AND DETERMINATIONS: Where the terms of this Grant Agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.

D.28. PERFORMANCE BOND: Where contractors are used, the Grantee shall not authorize construction to begin until each contractor has furnished a performance bond in favor of the Grantee in the following amounts: faithful performance (100%) of contract value, and labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than $25,000.00. Any bond issued pursuant to this paragraph must be issued by a California-admitted surety. (Civ. Code, § 9550, et seq.; Pub. Contract Code, § 7103; Code Civ. Proc., § 995.311.)

D.29. PRIORITY HIRING CONSIDERATIONS: If this Grant Agreement includes services in excess of $200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the Grant Agreement to qualified recipients of aid under Welfare and Institutions Code section 11200 in accordance with Public Contract Code section 10353.

D.30. PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION: The Grantee shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project, or with Grantee's service of water, without prior permission of State. Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Grantee meet its obligations under this Grant Agreement, without prior written permission of State. State may require that the proceeds from the disposition of any real or personal property be remitted to State.

D.31. PROJECT ACCESS: The Grantee shall ensure that the State, the Governor of the State, or any authorized representative of the foregoing, will have safe and suitable access to the Project site at all reasonable times during Project construction and thereafter for the term of this Agreement.

D.32. REMAINING BALANCE: In the event the Grantee does not submit invoices requesting all of the funds encumbered under this Grant Agreement, any remaining funds revert to the State. The State will notify the Grantee stating that the Project file is closed and any remaining balance will be disencumbered and unavailable for further use under this Grant Agreement.

D.33. REMEDIES NOT EXCLUSIVE: The use by either party of any remedy specified herein for the enforcement of this Grant Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.

D.34. RETENTION: The State shall withhold ten percent (10%) of the funds requested by the Grantee for reimbursement of Eligible Project Costs until the Project is completed and Final

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Report is approved. Any retained amounts due to the Grantee will be promptly disbursed to the Grantee, without interest, upon completion of the Project.

D.35. RIGHTS IN DATA: Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Grant Agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act. (Gov. Code, § 6250 et seq.) Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Grant Agreement, subject to appropriate acknowledgement of credit to State for financial support. Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.

D.36. SEVERABILITY: Should any portion of this Grant Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Grant Agreement shall continue as modified.

D.37. SUSPENSION OF PAYMENTS: This Grant Agreement may be subject to suspension of payments or termination, or both if the State determines that:

A. Grantee, its contractors, or subcontractors have made a false certification, or

B. Grantee, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Grant Agreement.

D.38. SUCCESSORS AND ASSIGNS: This Grant Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Grant Agreement or any part thereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.

D.39. TERMINATION BY GRANTEE: Subject to State approval which may be reasonably withheld, Grantee may terminate this Agreement and be relieved of contractual obligations. In doing so, Grantee must provide a reason(s) for termination. Grantee must submit all progress reports summarizing accomplishments up until termination date.

D.40. TERMINATION FOR CAUSE: Subject to the right to cure under Paragraph 11, the State may terminate this Grant Agreement and be relieved of any payments should Grantee fail to perform the requirements of this Grant Agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 11.

D.41. TERMINATION WITHOUT CAUSE: The State may terminate this Agreement without cause on 30 days' advance written notice. The Grantee shall be reimbursed for all reasonable expenses incurred up to the date of termination.

D.42. TRAVEL: Travel includes the reasonable and necessary costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Grant Agreement. Any reimbursement for necessary travel and per diem shall be at rates not to exceed those set by the California Department of Human Resources for excluded employees. These rates may be found at: https://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx. Reimbursement will be at the State travel and per diem amounts that are current as of the date costs are incurred. No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the State.

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D.43. THIRD PARTY BENEFICIARIES: The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.

D.44. TIMELINESS: Time is of the essence in this Grant Agreement.

D.45. UNION ORGANIZING: Grantee, by signing this Grant Agreement, hereby acknowledges the applicability of Government Code sections 16645 through 16649 to this Grant Agreement. Furthermore, Grantee, by signing this Grant Agreement, hereby certifies that:

A. No State funds disbursed by this Grant Agreement will be used to assist, promote, or deter union organizing.

B. Grantee shall account for State funds disbursed for a specific expenditure by this Grant Agreement to show those funds were allocated to that expenditure.

C. Grantee shall, where State funds are not designated as described in (b) above, allocate, on a pro rata basis, all disbursements that support the program.

D. If Grantee makes expenditures to assist, promote, or deter union organizing, Grantee will maintain records sufficient to show that no State funds were used for those expenditures and that Grantee shall provide those records to the Attorney General upon request.

D.46. VENUE: The State and the Grantee hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Agreement.

D.47. WAIVER OF RIGHTS: None of the provisions of this Grant Agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Grant Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Grant Agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.

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Exhibit E

AUTHORIZING RESOLUTION

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EXHIBIT F

REPORT FORMATS AND REQUIREMENTS

The following reporting formats should be utilized. Please obtain State approval prior to submitting a report in an alternative format.

PROGRESS REPORTS

Progress reports shall generally use the following format. This format may be modified as necessary to effectively communicate information. For each project, discuss the following at the task level, as organized in Exhibit A:

- Percent complete (by work)
- Discussion of work accomplished during the reporting period.
- Milestones or deliverables completed/submitted during the reporting period.
- Meetings held or attended.
- Scheduling concerns and issues encountered that may delay completion of the task.

For each project, discuss the following at the project level, as organized in Exhibit A:

- Work anticipated for the next reporting period.
- Photo documentation, as appropriate.
- Any schedule or budget modifications approved by DWR during the reporting period.

GRANT COMPLETION REPORT

The Grant Completion Report shall generally use the following format provided below for each project after completion.

Executive Summary

The Executive Summary should include a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the original Grant application.
- List any official amendments to this Grant Agreement, with a short description of the amendment.

Challenges and Lessons Learned

- Assessment of engagement with partners, communities, and Tribes
- Effectiveness of the watershed network formation
- Identification of major challenges faced
- Lessons learned throughout the project
- Recommendations for improving the Watershed Resilience Framework
- Recommendations for improving the Watershed Resilience program

Reports and/or Products

The following items should be provided, unless already submitted as a deliverable:

- A copy of any final technical report or study, produced for or utilized in this Project as described in the Exhibit A
- Electronic copies of any data collected, not previously submitted

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- Final project schedule showing actual progress versus planned progress as shown in Exhibit C

Cost & Disposition of Funds

A list showing:

- Summary of Project costs including the following items:
  - Accounting of the cost of project expenditure;
  - Include all internal and external costs not previously disclosed (i.e., additional cost share); and
  - A discussion of factors that positively or negatively affected the project cost and any deviation from the original Project cost estimate.

WATERSHED RESILIENCE REPORT

The Watershed Resilience Report shall generally use the following format provided below. The report in total should not excel 100 pages with technical appendices.

- **Introduction**
  - Plan Purpose and Objectives
  - Background
  - Watershed Description
- **Watershed Planning Area Definition**
- **Watershed Network**
  - Existing Regional Network Assessment
  - Watershed Network Development and Partner Engagement
  - Equity Considerations
- **Watershed Vision and Goals**
- **Watershed Problems/Challenges**
  - Existing Climate Vulnerability Information
  - Critical Historical Weather-Related Events
  - Regional Climate Drivers and Trends
  - Climate Resilience Challenges and Opportunities
- **Climate Vulnerability Assessment**
  - Vulnerability Assessment Approach
  - Climate Vulnerability Metrics and Thresholds
  - Watershed Water Budget
  - Climate Vulnerability Assessment Findings
- **Climate Risk Assessment**
- **Adaptation Strategy Development**
  - Approach for Adaptation Strategy Development and Evaluation
  - Priority Risk Areas
  - Adaptation Strategy Formulation
  - Adaptation Strategy Evaluation
  - Recommended Adaptation Strategies
- **Implementation Strategies**
- **Recommendations**
- **Summary and Next Steps**

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EXHIBIT G

REQUIREMENTS FOR DATA SUBMITTAL

Surface and Groundwater Quality Data:

If applicable, groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State as described below, with a narrative description of data submittal activities included in project reports.

Surface water quality monitoring data shall be prepared for submission to the California Environmental Data Exchange Network (CEDEN). The CEDEN data templates are available on the CEDEN website. Inclusion of additional data elements described on the data templates is desirable. Data ready for submission should be uploaded to your CEDEN Regional Data Center via the CEDEN website. CEDEN website: http://www.ceden.org.

If a project's Work Plan contains a groundwater ambient monitoring element, groundwater quality monitoring data shall be submitted to the State for inclusion in the State Water Resources Control Board's Groundwater Ambient Monitoring and Assessment (GAMA) Program Information on the GAMA Program can be obtained at: https://www.waterboards.ca.gov/water_issues/programs/gama/. If further information is required, the Grantee can contact the State Water Resources Control Board (SWRCB) GAMA Program. A listing of SWRCB staff involved in the GAMA program can be found at: https://www.waterboards.ca.gov/water_issues/programs/gama/contact.shtml.

Groundwater Level Data

For each project that collects groundwater level data, the Grantee will need to submit this data to DWR's Water Data Library (WDL), with a narrative description of data submittal activities included in project reports, as described in Exhibit F, "Report Formats and Requirements." Information regarding the WDL and in what format to submit data in can be found at: http://www.water.ca.gov/waterdatalibrary/.

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EXHIBIT H

STATE AUDIT DOCUMENT REQUIREMENTS
AND COST SHARE REQUIREMENTS FOR THE GRANTEE

The following provides a list of documents typically required by State Auditors and general guidelines for the Grantee. List of documents pertains to both State funding and the Grantee's Local Cost Share and details the documents/records that State Auditors would need to review in the event of this Grant Agreement is audited. The Grantee should ensure that such records are maintained for each funded project.

State Audit Document Requirements

Internal Controls

1. Organization chart (e.g., Agency's overall organization chart and organization chart for the State funded Program/Project).
2. Written internal procedures and flowcharts for the following:
   a) Receipts and deposits
   b) Disbursements
   c) State reimbursement requests
   d) Expenditure tracking of State funds
   e) Guidelines, policy, and procedures on State funded Program/Project
3. Audit reports of the Agency internal control structure and/or financial statements within the last two years.
4. Prior audit reports on the State funded Program/Project.

State Funding:

1. Original Grant Agreement, any amendment(s) and budget modification documents.
2. A listing of all bond-funded grants, loans, or subventions received from the State.
3. A listing of all other funding sources for each Program/Project.

Contracts:

1. All subcontractor and consultant contracts and related or partners' documents, if applicable.
2. Contracts between the Agency and member agencies as related to the State funded Program/Project.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under the Grant Agreement.
2. Documentation linking subcontractor invoices to State reimbursement, requests and related Grant Agreement budget line items.
3. Reimbursement requests submitted to the State for the Grant Agreement.

Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State.
2. Deposit slips (or bank statements) showing deposit of the payments received from the State.
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the grants or loans.
4. Bank statements showing the deposit of the receipts.

Accounting Records:

1. Ledgers showing entries for funding receipts and cash disbursements.

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2. Ledgers showing receipts and cash disbursement entries of other funding sources.
3. Bridging documents that tie the general ledger to requests for Grant Agreement reimbursement.

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

1. List of all contractors and Agency staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Agency personnel who provided services charged to the program

Project Files:

1. All supporting documentation maintained in the project files.
2. All Grant Agreement related correspondence.

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EXHIBIT I

INVOICE GUIDANCE FOR ADMINISTRATIVE AND OVERHEAD CHARGES

The funds provided pursuant to this Agreement may only be used for costs that are directly related to the funded Project. The following provides a list of typical requirements for invoicing, specifically providing guidance on the appropriate methods for invoicing administrative and direct overhead charges.

Administration Charges

Indirect and General Overhead (i.e., indirect overhead) charges are not an allowable expense for reimbursement. However, administrative expenses that are apportioned directly to the project are eligible for reimbursement. Cost such as rent, office supplies, fringe benefits, etc. can be "Direct Costs" and are eligible expenses as long as:

- There is a consistent, articulated method for how the costs are allocated that is submitted and approved by the Grant Manager. The allocation method must be fully documented for auditors.
- A "fully-burdened labor rate" can be used to capture allowable administrative costs.
- The administrative/overhead costs can never include:
    - Non-project specific personnel and accounting services performed within the Grantee or an LPS' organization
    - Generic markup
    - Tuition
    - Conference fees
    - Building and equipment depreciation or use allowances
- Using a general overhead percentage is never allowed

Labor Rates

The Grantee must provide DWR with supporting documentation for personnel hours (see personnel billing rates letter in example invoice packet). The personnel rate letter should be submitted to the DWR Grant Manager prior to submittal of the first invoice. The supporting documentation must include, at a minimum, employee classifications that will reimbursed by grant funds and the corresponding hourly rate range. These rates should be "burdened"; the burdened rate must be consistent with the Grantee's/Local Project Sponsors standardized allocation methodology. The supporting documentation should also provide an explanation of what costs make up the burdened rate and how those costs were determined. This information will be used to compare against personnel hours summary table invoice back up documentation. Periodic updates may be needed during the life of the grant which would be handled through a revised billing rate letter.

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Eligibility Criteria Self-Certification Form

As an applicant with the Department of Water Resources' (DWRs) Financial Assistance Branch, you must complete this self-certification form as a condition to enter into a Grant Agreement with DWR to receive grant funds. One form should be filled out for the applicant **and** each Local Project Sponsor. Failure to meet and continue to comply with these conditions and requirements may result in DWR revoking the grant award, withholding grant funding, stopping invoice payment, and/or terminating the Grant Agreement. An answer of "No" to certain questions below may make you ineligible to enter into an agreement with DWR. If any question is going to be answered as "No" please contact DWR at dwr_irwm@water.ca.gov.

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1. Applicant Eligibility

Applicant/Local Project Sponsor Name	Applicant/Local Project Sponsor Entity Type

Applicant Name: _____

Applicant Entity Type: _____

If the Applicant or any Local Project Sponsor is a mutual water company or public utility, does their proposed project have a clear and definite public purpose that benefits the customers of the water system or other public utility and not the investors?

Yes ☐ No ☐

If yes, please state the public purpose and explain how it benefits the customers:

2. Urban Water Management Compliance

List the urban water suppliers (UWS), as defined by Water Code section 10617, that will receive funding if the application is awarded funds. Does each UWS have a current Urban Water Management Plan (UWMP) verified by DWR that

addresses the requirements of the California Water Code? Each UWS must also have a complete and validated water loss audit report verified by DWR in accordance with Senate Bill (SB) No. 555 (Stats. 2015, ch. 679). Additionally, each UWS proposing wastewater projects, water use efficiency projects, or drinking water projects must be compliant with the water metering requirements contained in Water Code section 525 et seq.

Urban Water Supplier	Date UWMP verified by DWR

Are all Urban Water Suppliers compliant with all requirements for Urban Water Suppliers including but not limited to metering requirements (Water Code, § 525 et seq.), water loss audits, and monthly reporting to the State Water Resources Control Board (SWRCB)?
Yes ☐ No ☐

If a supplier isn't compliant with the requirements, please explain:

3. **Water Shortage Contingency Plan (WSCP)**

Each Urban Water Supplier that will receive funding if the application is awarded funds must have a current Water Shortage Contingency Plan activated to a Stage 2 or equivalent in compliance with the SWRCB's Emergency Water Conservation Regulations (Cal. Code Regs., tit. 23, §§ 995-996) and any amendments thereto. DWR will verify compliance for retailers. For wholesalers, the Water Shortage Contingency Plan stage will be determined by looking at the activation stages of their individual suppliers. Please fill out a Wholesaler summary form for each wholesaler in the application and attach it to the application.

Are all Urban Water Suppliers in compliance with SWRCB's Emergency Water Conservation Regulations (Cal. Code Regs., tit. 23, §§ 995-996)?
Yes ☐ No ☐

If a supplier isn't compliant with the requirements, please explain:

4. Agricultural Water Management and Measurement Compliance

List the agricultural water suppliers, as defined by Water Code section 10608.12(a), that will receive funding if the application is awarded funds. If there are none, please indicate so. Each supplier must have a completed Agricultural Water Management Plan (AWMP) that has been verified by DWR. If the supplier provides less than 25,000 irrigated acres, they will be exempt from the AWMP requirement.

Agricultural Water Supplier	Date AWMP verified by DWR, or exempt

Are all Agricultural Water Suppliers compliant with all other requirements of an Agricultural Water Supplier including but not limited to farm gate delivery reports, Efficient Water Management Practices, Water Measurement regulations, etc.?

Yes ☐ No ☐

If a supplier isn't compliant with the requirements, please explain:

5. **Surface Water Diverter Compliance**
List the surface water diverters that will receive funding if the application is awarded funds. If there are none, please indicate so. For the listed surface water diverters, state whether each diverter has submitted their latest annual and monthly surface water diversion reports in compliance with requirements outlined in Water Code section 5100 et seq., and their Use Reports as set forth in the California Code of Regulations, title 23, section 907 et seq., to the SWRCB.

Surface Water Diverter	Has Surface Water Diverter submitted all required reports to SWRCB to remain up to date? (Yes/No)

6. **Groundwater Management Compliance**
List any projects that directly affect groundwater levels or quality. Please attach a support letter from the appropriate Groundwater Sustainability Agency for any projects affecting groundwater in high or medium basins. For adjudicated basins, please submit a support letter from the watermaster. You can find your groundwater basin and the priority by going to the following link:

https://sgma.water.ca.gov/webgis/?appid=SGMADataViewer#gwlevels%C2%A0

Project Name	Grantee/Local Project Sponsor	Groundwater Basin	Priority of the basin

7. Groundwater Management Compliance Self-Certification

Groundwater Management Compliance: The Applicant and any Local Project Sponsors must maintain continuing eligibility with the current Sustainable Groundwater Management Act (SGMA, Water Code, § 10720 et seq.) requirements as they come into effect.

☐ Yes, the Applicant and Local Project Sponsors agree to maintain continuing eligibility with the most current SGMA requirements, as applicable.
☐ No, the Applicant and Local Project Sponsors do not agree to maintain continuing eligibility with the most current SGMA requirements, as applicable. DWR cannot enter into a Grant Agreement.

8. California Statewide Groundwater Elevation Monitoring (CASGEM) Compliance

Please fill out the following table for any projects located in a high or medium priority groundwater basin as identified by the CASGEM program. Projects in high and medium priority groundwater basins that do not have a CASGEM monitoring entity will not be eligible for funding if the grant applicant and Local Project Sponsor are listed as potential monitoring entities in Water Code section 10927. The same applies to counties whose jurisdictions include unmonitored high and medium priority groundwater basins (Water Code, § 10933.7(a)).

Project	Basin Monitoring Entity	If there is no monitoring entity, is the Local Project Sponsor is an eligible monitoring entity per Water Code section 10928?

9. Stormwater Projects

If a project is a stormwater and/or dry weather runoff capture project, is it included in a Stormwater Resource Plan or functionally equivalent plan (FEP) if applicable? Projects that benefit a DAC with a population of 20,000 or less are exempt from this requirement. However, they must not be a co-permittee for a municipal separate Storm Sewer System (MS4) National Pollutant Discharge Elimination System (NPDES) permit issued to a municipality with a population greater than 20,000 (Water Code, § 10563(c)(2)(B)).

Project (only list stormwater and/or dry weather runoff capture projects)	Project Included in a Stormwater Resource Plan or FEP?

10. Agreement Template

Have you and your counsel reviewed the agreement template and all terms and conditions?

Yes ☐ No ☐

I understand that the Department of Water Resources will rely on this signed certification in order to approve funding and that false and/or inaccurate representations in this Self-Certification may result in revocation of the award of funds or loss of all funds awarded to the Grantee. and that reimbursement of any grant funds is reliant upon the Grantee and all local project sponsors to meet and maintain all eligibility requirements outlined within this Self-Certification form, the 2024 Watershed Resilience Grant Program Guidelines, and the Grant Agreement terms and conditions. Additionally, for the aforementioned reasons, the Department of Water Resources may withhold disbursement of grant funds and/or pursue any other applicable legal remedies

Name of Authorized Representative	Signature
Title	Date

2024 Production Monthly Summary

All totals are in Acre Feet

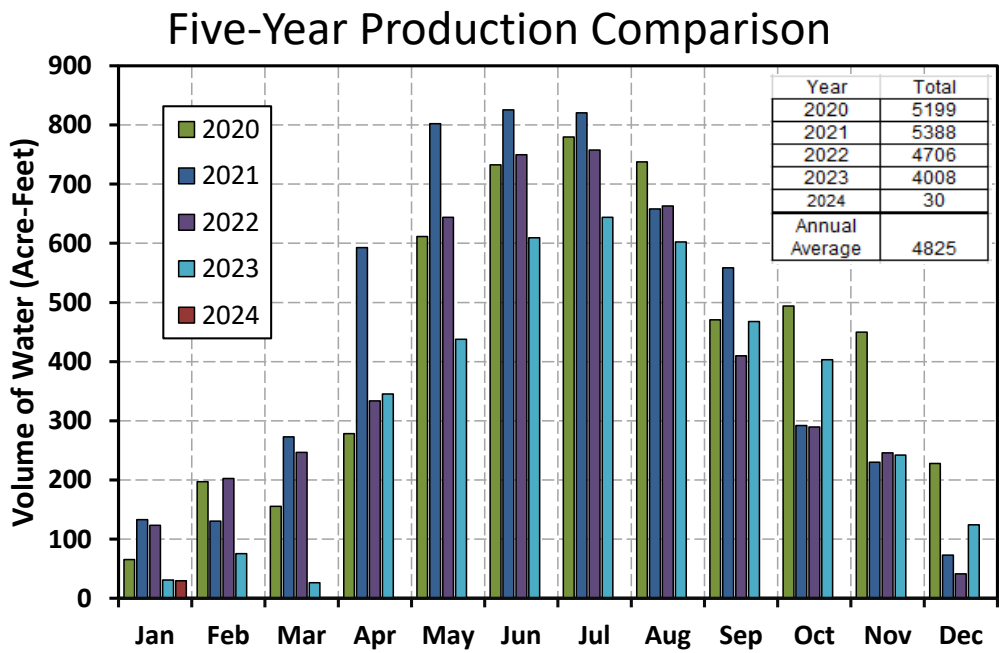
	January	February	March	April	May	June	July	August	September	October	November	December	Individual Totals
Harkins Slough Project:													
Effluent FW to Basin	0.00	0.00	0.00	0.00	0.00								**0.00**
Coastal Distribution System (CDS):													
Well Production													
Recovery Wells	1.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**1.74**
Blend Wells													
SW #1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SW #2	0.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.18
Blend Wells Subtotal	0.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.18**
RWF Blend (See Breakdown Below)	27.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**27.74**
CDS Total	29.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**29.66**

Approximate Recycled Water Blend Breakdown:

Estimated Recycled Water	27.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27.74
RWF No_1 (potable)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

* Recycled Water Blend Breakdown is Approximate because there is always some water in the tank that may be recycled water or RWF No-1 Water, "Est Recycled Water" is the RWF Blend total, (which is measured by the RWF Distribution meter after the tanks,) MINUS the RWF No_1 total, which is measure before the No_1 water goes into the tanks to blend.

Well 860 (Harvest Dr.)	0.000	0.000											0.00



2024 Production Percentages:			
Recovery Wells	**Supplemental Wells**	**Recycled Water**	**Potable Water**
6%	**1%**	**94%**	**0%**

*Preliminary, Subject to Revision

February 2024 Board Meeting			
RECEIVED			
DATE	TO	FROM	SUBJECT
2/1/2024	PV Water & Potentially Interested Agencies	County of Santa Cruz	Statement of Intent - Pesticides 2024
2/13/2024	Affected and Interested Agencies	LAFCO	Application Proposal to Dissolve Reclamation District 2049

County of Santa Cruz

Office of the Agricultural Commissioner
Mosquito and Vector Control CSA 53
640 Capitola Road, Santa Cruz, California 95062
(831) 454-2590 Fax (831) 464-9161 Internet www.agdept.com
David Sanford, Agricultural Commissioner Amanda Poulsen M.S., Assistant Manager

February 1, 2024

NOTICE TO POTENTIALLY INTERESTED AGENCIES

City of Capitola	California Department of Parks and Rec.
City of Santa Cruz	United States Fish and Wildlife Service
City of Watsonville	California Department of Fish and Wildlife
City of Scotts Valley	Santa Cruz County Parks Department
CalTrans	Scotts Valley Water District
Resource Conservation District	San Lorenzo Valley Water District
Pajaro Valley Water Management	Soquel Water District

County of Santa Cruz (Agricultural Commissioner Department – Mosquito Abatement and Vector Control division) Notice of Intent to continue to apply mosquitocides for public health purposes to Surface Waters and Waters of the U.S. within Santa Cruz County as part of the Integrated Vector Management program.

To Whom It May Concern:

Santa Cruz County Mosquito and Vector Control (SCCMVC) intends to make public health pesticide applications to, over and adjacent to constructed conveyances, surface waters and other waters of the U.S. owned and controlled by an entity other than SCCMVC for vector control purposes per the requirements of the General National Pollutant Discharge Elimination System (NPDES) Permit for Biological and Residual Pesticide Discharges for Vector Control Applications.

The NPDES Permit requirements for listing of the Public Health Pesticides anticipated to be used correspond to the permit which was issued in 2017. These requirements specify that any pesticide product can be used that contains approved active ingredients, provided all pesticide label restrictions and instructions are followed. In addition, pesticides which fall under the "minimum risk" category can be used. The minimum risk pesticides have been exempted from Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) requirements. The following tables list the active ingredients approved for the FIFRA regulated pesticides.

Active Ingredients for larval mosquito control:

Bacillus thuringiensis subsp. *israelensis (Bti)*
Bacillus sphaericus (Lysinibacillus sphaericus) (Bs)
Methoprene (s-methoprene)
Monomolecular Films
Petroleum Distillates
Pyriproxyfen
Spinosad
Temephos

Active Ingredients for adult mosquito control:

Cypermethrin
Deltamethrin
Dichlorvos
Etofenprox
Lambda-Cyhalothrin
Malathion
Naled
N-octyl bicycloheptene dicarboximide (MGK-264)
Piperonyl butoxide (PBO)
Permethrin
Prallethrin
Pyrethrin
Resmethrin
Sumithrin
Beauveria bassiana (entomopathogenic fungus)

The general time period for the application of the pesticides is January through December, 2024. Locations of expected use will be constructed conveyances, surface waters and other waters of the U.S. located within Santa Cruz County. SCCMVC typically uses larvicide applications for the purpose of reducing mosquitoes in an effort to reduce threat of mosquito-borne diseases and biting nuisance. When surveillance indicators exceed threshold levels larvicide applications may be made in strict compliance with pesticide label requirements. These larvicides are described as bacterial and fungal products, insect growth regulators and larvicidal oils.

In addition to the larvicides, the County's mosquito-borne disease response plan allows for the potential use of adulticides if necessary in an elevated risk public health situation. Broad area use of these adulticides would require approval of the County Board of Supervisors.

Mosquito breeding sources treated with mosquitocides used by SCCMVC require no water use restrictions or additional restrictions or precautions to be taken by your employees or the public.

Interested persons may contact SCCMVC at (831) 454-2590 for additional information.

LOCAL AGENCY FORMATION COMMISSION
OF SANTA CRUZ COUNTY

REFERRAL LETTER TO AFFECTED/INTERESTED AGENCIES

Date:	February 13, 2024
Project Title:	"Reclamation District No. 2049 Dissolution"
Project Number:	DDI 24-02
APNs:	24 Parcels (list available upon request)
Date Rec'd by LAFCO:	February 7, 2024
Submitted by:	Adopted Resolution by LAFCO
Subject Agencies:	Reclamation District No. 2049

Sphere Adoption/Amendment: No
Contractual Service Agreement: No

Executive Officer Message: This application proposes to dissolve the Reclamation District No. 2049. If approved, the dissolution will address the inactive district and residents will continue to receive municipal services from other existing local agencies, including but not limited to, the Pajaro Valley Fire Protection District, the Pajaro Valley Water Management Agency, and the Salsipuedes Sanitary District.

Previous Dissolution Application

The Board of Directors from the Reclamation District No. 2049 submitted an application to dissolve the agency in March 2023 based on LAFCO's recommendations from the 2022 Countywide Water Service and Sphere Review[1]. However, the application has remained inactive since then and LAFCO does not expect the agency to fulfill the statutory requirements necessary to move their application forward due to its depleted board, lack of staff, and no activity. State law allows LAFCOs to initiate dissolution if deemed necessary. After multiple joint meetings with representatives from the Reclamation District and the Pajaro Valley Water Management Agency (PVWMA), LAFCO has determined that the Commission should consider taking the lead in the dissolution process.

If you have any comments on this application, please provide your feedback to the LAFCO office no later than **Friday, March 8, 2024**.

Description/Justification: The proposed dissolution was initiated by LAFCO on February 7, 2024[2] through the unanimous adoption of a resolution in accordance with Government Code Section 56375(a)(2)(B). The subject area includes 24 parcels totaling approximately 500 acres. The District's sole purpose is to drain the College Lake once a year to allow for farming purposes during the summer season. The District previously used one weir (small water dam) to control the flow of water. It is important to note that the weir has since been removed and the District has not been active (no board meetings; no active budget) since May 2023.

[1] 2022 LAFCO Report: https://santacruzlafco.org/wp-content/uploads/2022/09/Countywide-Water-MSR-Adopted-Version.pdf
[2] 2024 LAFCO Meeting: https://santacruzlafco.org/wp-content/uploads/2024/01/6b.0-RD2049-Dissolution-Staff-Report_Hyperlinked.pdf

Location: The subject area is primarily within unincorporated county territory and is generally located north of Holohan Road, east of Green Valley Road, south of Paulsen Road, and west of Highway 152. The District's service area is completely surrounded by the Pajaro Valley Water Management Agency. Attached is a vicinity map depicting the location of the proposal area.

General Plan/Zoning: The subject area is uninhabited and the County's General Plan designates the vast majority of the area as Agriculture with a small portion designated as Public Facility. The application does not propose any changes to the existing land use designation.

Other Municipal Services: No other change of organization is required. The proposal area will continue to receive municipal services from existing public agencies, including but not limited to fire protection services from the Pajaro Valley Fire Protection District.

Environmental Review: The project site is subject to an environmental review. Santa Cruz LAFCO will serve as the lead agency for assessing impacts under CEQA. Staff believes the proposal qualifies as a project under CEQA. Therefore, an environmental review is underway.

Tax Negotiations: California Revenue and Taxation Code Section 99(b)(6) requires the adoption of a property tax exchange agreement involving the affected local agency before LAFCO can consider a jurisdictional change. The Board of Supervisors (BOS) acts as the authorizing body for the District regarding property tax adjustments.

Referrals:
Affected Agency: Reclamation District No. 2049

Interested Agencies:
Cities – Watsonville

County Departments – Assessors Office; Auditor-Controller Office; CAO Office; Elections Office; Supervisorial District 4

County Service Areas – CSA 9; CSA 9a, CSA9c; CSA 9d; CSA 38; CSA 53

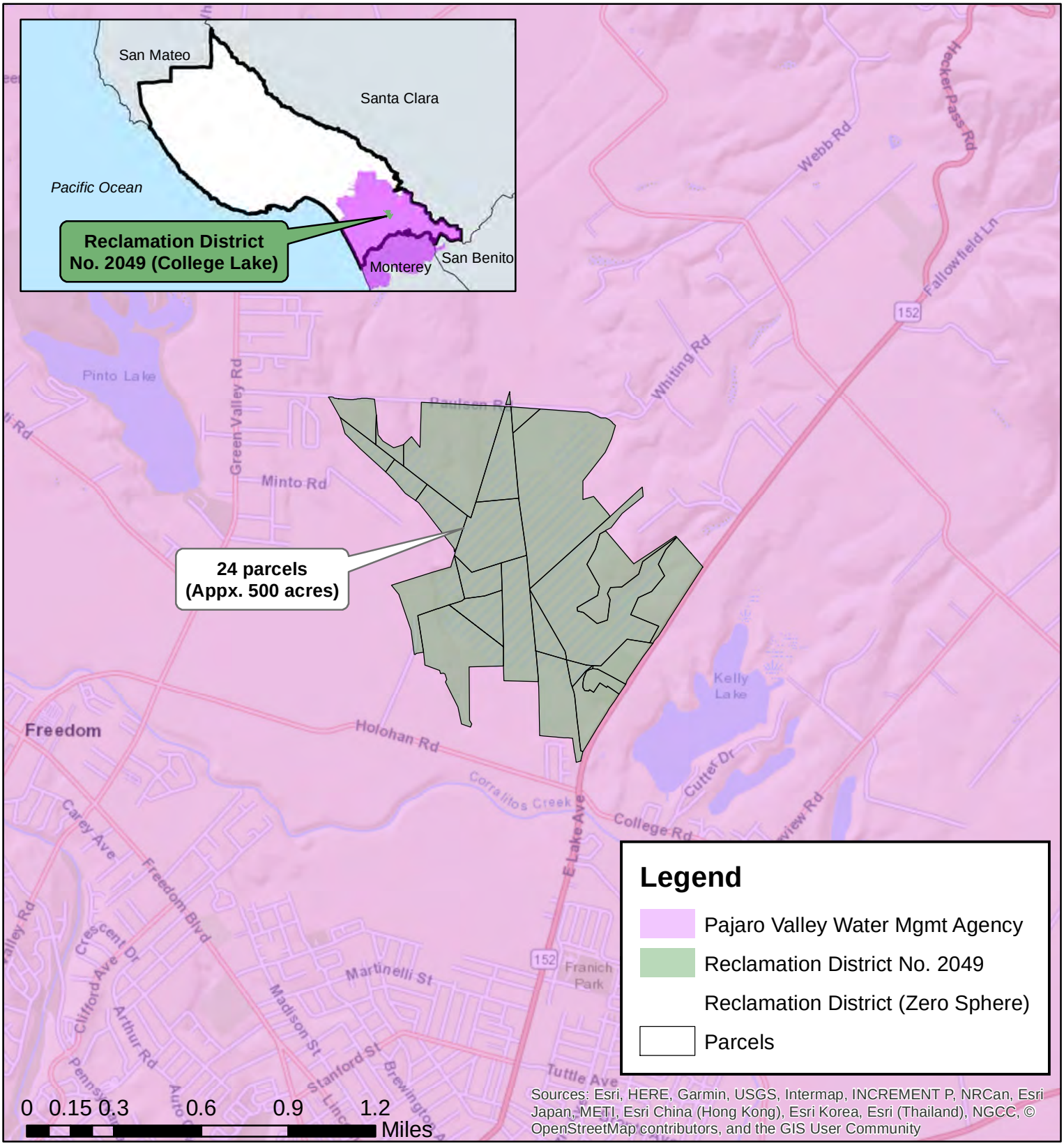
School Districts – Pajaro Valley Unified School District

Other Local Agencies: Pajaro Valley Fire Protection District; Pajaro Valley Health Care District; Pajaro Valley Public Cemetery District; Pajaro Valley Water Management Agency; Resource Conservation District; Salsipuedes Sanitary District

Terms and Conditions: The LAFCO resolution will outline several terms and conditions including but not limited to the following: State Board of Equalization fees and LAFCO processing fees.

Public Hearing: Yes (hearing date: TBD) **Date File Opened:** 2/7/24

Date Status Letter Sent: N/A **Attachment:** Vicinity Map



"Reclamation District No. 2049 Dissolution" (LAFCO Project No. DDI 24-02)

N

S

Vicinity map created on 2-13-24

The Reclamation District was formed in 1920 and operates pursuant to the Reclamation District Law (CA Water Code Section 50000 et seq.).

The District submitted an application to dissolve on 3/8/23 but was terminated due to inactivity on 2/7/24. LAFCO has initiated dissolution in accordance with GCS 56375(a)(2)(B).